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NOTE

The term 'Britain' is used informally in the *Survey of Current Affairs* to mean the United Kingdom of Great Britain and Northern Ireland. 'Great Britain' comprises England, Wales and Scotland.

By-elections and State of the Parties

Details of the results of two recent parliamentary by-elections and the present state of the parties in the House of Commons are given below.

On 15 June the Labour Party retained both its seats in parliamentary by-elections held in Glasgow Central and in Vauxhall. In Glasgow Central the Labour candidate, Mr Mike Watson, won by a majority of 6,462 votes; in Vauxhall the Labour candidate, Ms Kate Hoey, won by a majority of 9,766 votes.

The seat in Glasgow Central became vacant when the sitting Member of Parliament, Mr Robert McTaggart, died in March, while the seat in Vauxhall became vacant when its holder, Mr Stuart Holland, resigned from Parliament in May.

The results of the by-elections were as follows:

Glasgow Central

M. Watson (Labour)	14,480
A. Neil (Scottish National)	8,018
A. Hogarth (Conservative)	2,028
I. Brandt (Green)[1]	1,019

Five other candidates between them received 990 votes; all lost their deposits. Votes were cast by 52·8 per cent of the electorate.

At the general election in June 1987, Labour held the seat with Mr Robert McTaggart polling 21,619 votes, followed by the Conservative candidate with 4,366 votes, the Alliance[2] candidate with 3,528 votes and the Scottish National candidate with 3,339 votes. Votes were cast by 65·6 per cent of the electorate.

Vauxhall

K. Hoey (Labour)	15,191
M. Keegan (Conservative)	5,425
M. Tuffrey (Social and Liberal Democrats)	5,043
H. Bewley (Green)	1,767

Ten other candidates between them received 1,369 votes; all lost their deposits. Votes were cast by 42 per cent of the electorate.

[1]The Green (formerly Ecology) Party was founded in 1973 after the publication of *Blueprint for Survival*, a work which offered radical proposals for dealing with environmental problems. In the 1987 general election the party, with 133 candidates, polled 89,753 votes – an average of 1·4 per cent.

[2](See footnote to p 87).

At the general election in June 1987, Labour held the seat with Mr Stuart Holland polling 21,364 votes, followed by the Conservative candidate with 12,345 votes and the Alliance candidate with 7,764 votes. Votes were cast by 64 per cent of the electorate.

State of the Parties

Following the by-elections, the state of the parties in the House of Commons is now as follows:

Conservative	373
Labour	227
Social and Liberal Democrats	19
Social Democratic	3
Scottish National	4
Plaid Cymru (Welsh Nationalist)	3
Ulster Unionist (Northern Ireland)	9
Democratic Unionist (Northern Ireland)	3
Social Democratic and Labour (Northern Ireland)	3
Ulster Popular Unionist (Northern Ireland)	1
Sinn Fein (Northern Ireland)	1
TOTAL	646

The remaining four seats are held by the Speaker of the House of Commons and his three deputies (the Chairman of Ways and Means and the first and second Deputy Chairmen of Ways and Means), who do not vote except in their official capacity in the event of a tie. The government majority over all the other parties is 100 although the Sinn Fein MP has not taken his seat.

Representation of the People Bill

A Bill to extend the franchise for British citizens living abroad and to set a new limit on candidates' expenses at parliamentary by-elections received a second reading in the House of Commons on 29 June. It is estimated that the proposed legislation, which would apply to parliamentary elections and elections to the European Parliament throughout Britain, would enfranchise a further two million overseas voters. In addition, a review of candidates' expenses at both general elections and parliamentary by-elections has been announced.

Until 1985 the right to vote for British citizens living abroad was confined to members of the armed forces and other Crown servants (for instance, embassy or consular officials). The Representation of the People Act 1985 (see pp 3-5, 1985) extended the franchise to British citizens living abroad for a period of five years from the date on which they were last registered as British residents. The Government made a commitment, at the time the legislation was passing through Parliament, to review the new arrangements once they were in operation and, in particular, to reconsider the five-year limit. The subsequent under-use of the overseas franchise in its first three years of operation (see below), together with the responses received to the consultation paper *Representation of the People: British Citizens Overseas,* issued in April 1988 (available free from the Home Office Library, 50 Queen Anne's Gate, London SW1H 9AT), has led the Government to believe that the measures introduced in 1985 have been unduly restrictive, and that the existing application procedures should be simplified.

MAIN PROVISIONS

The Bill proposes to extend to 25 years the period during which British citizens living abroad may apply to be registered as parliamentary electors under the Representation of the People Act 1985. It would also extend the overseas franchise to include those not previously registered as electors in Britain because of their age; and would abolish the requirement for overseas electors to declare that they do not intend to reside permanently outside Britain. It also provides for annual reminders of the need to register to be sent to overseas voters, as they are to their counterparts resident in Britain. The other main purpose of the Bill is to increase the maximum amount of candidates' expenses at parliamentary by-elections to four times the limit currently specified. (The present limit would continue to apply at general elections.)[1]

PARLIAMENTARY DEBATE

The Bill was given a second reading in the House of Commons by 162 votes to 19 – a government majority of 143 (*Hansard,* Vol 155, No 132, cols 1138-62).

Government View

Introducing the Bill, the Home Secretary, Mr Douglas Hurd, said that the existing limit of five years within which a British citizen living abroad could register to vote had not proved attractive to overseas citizens. Only 12,000 overseas British citizens had registered to vote in 1987; the number had fallen to some 2,000 in 1988, and there were just under 3,000 overseas electors on the current register – less than one per cent of those eligible to vote. The Government now considered that the existing restrictions imposed on new overseas voters were excessive.

Change was needed in two areas: in the restrictive five-year limit, with its automatic denial of democratic rights after an arbitrary period, and in the cumbersome bureaucracy imposed, as a result of the Government's over-cautious approach in 1985, on overseas British citizens who wished to vote. The proposed 25-year limit for registration would enfranchise citizens working on longer-term contracts abroad who intended, as many did, to retire to Britain. It would also include citizens who had gone abroad to work for international and world development organisations, to advance British economic interests or pursue careers in European Community institutions. It would recognise the rights of thousands of British citizens who, through modern communications, cheaper air fares and a genuine affection for their country, maintained strong links with Britain. Many of them still had in their native country family and friends, children at school and property and were often liable for payment of taxes in Britain. The Bill would also enfranchise young people who were not registered to vote when they went abroad or were taken abroad by their parents.

On the proposal to set a new limit on candidates' expenses at parliamentary by-elections, the Home Secretary said that the Bill recognised the intensity of campaigning at modern parliamentary by-elections and the need to set realistic limits for them.

Opposition Views

Replying for the official Opposition, Mr Stuart Randall said that the proposed legislation would extend the franchise for British citizens, many of whom had lived outside Britain for some considerable time and had no intention of returning to live there. Many paid no British taxes; their links with Britain were minimal and many of them were out of touch with the political situation in the country. He also opposed the idea that many young people who might have lived in Britain only briefly and who could know very little about the country would now be entitled to vote and determine the kind of government it was to have. However, he welcomed the proposed increase in the limit on candidates' election expenses, not only because by-elections had tended to become national events which involved extra costs for political parties, but because the growing sophistication of campaigning (for example, the extensive use of computer data banks) in by-elections had resulted in greater costs.

For the Social and Liberal Democrats, Mr Robert Maclennan welcomed the Bill. He commended the Government's desire to simplify procedures and considered the proposed increase in parliamentary by-election expenses took account of the considerable pressures faced by all political parties fighting these elections.

REVIEW OF CANDIDATES' ELECTION EXPENSES

On 21 June the Government announced a review of candidates' expenses at both general elections and parliamentary by-elections. Answering a parliamentary question (*Hansard,* Vol 155, No 126, written answers, cols 131-3), Mr Hurd reminded the House that, at present, the electoral law made no distinc-

[1] At present, the maximum sum a candidate may spend on an election campaign is £3,370 plus 3·1 pence for each elector in a borough constituency or 4·1 pence in a county constituency.

tion, as regards expenses, between a parliamentary general election and a by-election. The character of parliamentary by-elections had changed considerably since the law on which the existing scheme was based had been passed over a century ago. By-elections were, increasingly, national events which drew the attention of political commentators and the media and which consequently attracted the close involvement of the various party organisations. This trend, which was unlikely to be reversed, had implications for the system of controls on candidates' expenses set out in the Representation of the People Act 1983 (see p 92, 1983). The Government proposed to review these implications in consultation with the representatives of the political parties and the returning officers, who had responsibility, under the law, for conducting parliamentary elections. As a first step, a public consultation paper was being prepared which would set out the background and promote consideration of the issues and options involved.

For further information on parliamentary elections in Britain, see COI reference pamphlet, *Parliamentary Elections in Britain*, No 175/87.

Charities Legislation

Government proposals to reform charity law in England and Wales have been set out in a White Paper published on 16 May. The measures are designed to give the Charity Commission, which advises and regulates charities, new powers to deal with fraud and mismanagement, to increase the public accountability of charities and to place greater responsibility on trustees. At the same time, an efficiency scrutiny of government funding of the voluntary sector has been announced.

Introducing the White Paper[1] in the House of Commons on 16 May (*Hansard*, Vol 153, No 106, cols 167-77), the Home Secretary, Mr Douglas Hurd, reminded the House that 30 years had elapsed since the passage of the last major legislation on charities, since when the charitable world had changed substantially. The number of charities had greatly increased, with a corresponding increase in the funds flowing through them. The part which charities and the voluntary sector played in meeting genuine need at home and abroad was becoming increasingly impressive and important. That expansion made safeguards essential. The Government's proposals aimed to strike a balance between freedom and control, ensuring that charities would be able to operate without unreasonable interference but within a framework which assured they were properly accountable to the public. Its proposals were designed to produce a stronger and more modern framework of supervision which would equip the Charity Commission for a more active role, narrow the scope for abuse, encourage trustees to shoulder their responsibilities, and ensure continuing public confidence in the sector.

Background[1]

At least one in four adults in Britain takes part in some sort of voluntary activity, and the number of voluntary bodies is large and growing all the time. There are over 165,000 registered charities in England and Wales, with an estimated annual income of £13,000 million. Such bodies engage in an extremely wide range of social and economic activity. A few have achieved the status of national 'institutions', such as the British Red Cross or the Salvation Army, employing many full-time salaried staff and with incomes of tens of millions of pounds; others are purely local concerns with a handful of voluntary members, very small incomes, and sometimes a very short life. While a majority are concerned with health, social welfare, education and overseas aid, there is a growing interest among voluntary groups in cultural and environmental issues and in participating in schemes to promote employment.

In order to gain charitable status, an agency's stated aims must be the relief of poverty, the advancement of education or religion, or the promotion of certain other purposes of public benefit, including good community relations, the prevention of racial discrimination, protection of health and the promotion of equal opportunities. Charities are not allowed to take part in party political activity.

In recent years the Government has established an increasingly close and productive partnership with the voluntary sector, its overall direct funding amounting to almost £293 million in 1987/88 – an increase of over 91 per cent in real terms since 1979/80. Additional payments made directly to voluntary bodies under various employment and training programmes, grants to housing associations and societies, and grants from non-departmental public bodies bring the total government funding to over £2,000 million. Charities also enjoy tax benefits amounting to over £500 million a year as well as very considerable sums raised through rate relief or contributions from local authorities and health authorities.

Woodfield Report Recommendations

The White Paper stems from an efficiency scrutiny of the supervision of charities carried out under the chairmanship of Sir Philip Woodfield, which reported in 1987 (see p 353, 1988). The scrutiny team had been asked to examine the full range of statutory requirements in England and Wales governing the setting up, registration and supervision of charities and to report on and make recommendations about the work of the Charity Commission, a supervisory body whose main functions include maintaining a central register which is open to the public and which contains details of all charities obliged to apply for registration. The commission also advises and provides for the regulation of charities, and investigates and checks abuse.

The report's central conclusion was that while the essentials of the present supervisory framework

[1] *Charities: A Framework for the Future*. Cm 694. Home Office. HMSO, £6·80. ISBN 0 10 106942 1.

[1] For further information on the voluntary sector, see COI reference paper *Voluntary Organisations in Britain*, No 213/88.

were still necessary, they were in need of extensive reform. Trustees needed to be more aware of their duties and responsibilities; steps were needed to ensure that the information about charities held by the Charity Commission was accurate and up to date, and, above all, the Commission needed to focus more sharply on dealing with inefficiency and abuse. To achieve this new focus, the report concluded, the Commission needed on the one hand new powers and on the other to be relieved of some of its present statutory duties.

As the White Paper states, all of the Woodfield recommendations for improvements in the Commission's organisation and working methods have been or are being put into effect. More resources have been devoted to dealing with malpractice; systems are being developed to carry out the efficient monitoring of charity accounts and to target charities most likely to need further investigation; new systems of financial and management control are being introduced; and significant progress has been made towards introducing a computerised register.[1]

WHITE PAPER PROPOSALS

While the main aim of the proposals is to implement those of the Woodfield Report's recommendations which require primary legislation, the Government has also taken the opportunity to state its policy towards the voluntary sector and to raise, and seek views on, a number of issues arising from the present common law on charitable status.

It reaffirms its commitment to encouraging 'a healthy and growing' voluntary sector with which it can work in partnership. The voluntary sector, says the White Paper, offers practical, grass-roots experience, an ability to respond quickly and flexibly to new situations as they arise, and, perhaps of greatest importance, a capacity to innovate. The Government is keen to encourage innovation and enterprise, and will continue to make selective grants to voluntary bodies. While it believes it would be wrong to seek to impose upon the voluntary sector any central direction it must, however, help to provide a framework within which voluntary bodies can flourish and their integrity be assured.

Charitable Status

The White Paper considers whether the law on charitable status should be clarified and simplified, and, in particular, whether it would now be appropriate to put it on a statutory basis. It says that opinion in the legal and charitable worlds is opposed to any substantive change in the present law. While the Government is inclined to agree with this view, it would welcome the views of others on these issues.

The White Paper says that it has been proposed from time to time that a definition of charity should be formulated and given statutory effect. Having examined the various ways in which this might be achieved, it considers that there would appear to be few advantages in attempting a wholesale redefinition of charitable status and many real dangers in doing so. Nevertheless, the White Paper says, it might be desirable to make one or two minor adjustments to the present law in two areas – the advancement of religion and the proper limits of political activities.

As regards religion, at present any religious body is entitled to charitable status so long as its tenets are not morally subversive and its purposes are directed to the benefit of the public. However, the question has been raised from time to time as to whether trusts which are set up to further certain religious groups (for example, organisations whose influence over their followers, especially the young, is seen as destructive of family life) should be entitled to charitable status. The Government has considered suggestions that it might be possible to amend the law so as to exclude those religious organisations whose activities are regarded as undesirable or to remove charitable status from all religious trusts without exception. However, it finds the whole concept of removing charitable status from religious trusts unattractive and believes that it would be resisted by the great majority of the public.

As regards the position of cults, the Government will consider whether it would be possible to amend the existing law in order to make it explicit that the Charity Commissioners have the power to remove a body from the register where there is evidence that it is acting in pursuit of its objects in ways which are not for the public benefit.

The White Paper then considers the issue of the proper limits of political activities by charities. On the distinction between charities and non-charitable voluntary bodies, the White Paper points out that any non-charitable voluntary organisation is entirely free to support any cause it wishes as long as it keeps within the law. In contrast, charities cannot have political objectives, being constrained by law 'to the reasonable advocacy of causes which directly further their non-political objectives and which are ancillary to their achieving those'. Charities may not seek to influence improperly the policies of local or central government either at home or abroad. Nor may they advocate changes in the existing law, or even its retention, in a way which would not be in furtherance of their purposes.

The Government believes that the safeguards which the law provides at present are indispensable to prevent what are essentially political factions or pressure groups from assuming the guise of charity. It considers that it is vital, in the long-term interests of the public and charities alike, that political and charitable purposes should remain distinct. It would be wrong, says the White Paper, if taxpayers, through the Government, were to find themselves unwittingly distorting the democratic process by subsidising bodies whose true purpose was to campaign not so much for their beneficiaries as for some political end. There are some signs that the public is anxious that the behaviour of a few charities may, on occasions, stray beyond the bounds of what is permissible or desirable. The Government has accordingly considered whether the law could with advantage be tightened. It considers that the proposals to sharpen the Charity Commissioners' powers of investigation (see below), in order to enforce a remedy, would greatly strengthen their hand in imposing the proper degree of control.

[1]For further information on the work of the Commission, see *Report of the Charity Commissioners for England and Wales for the Year 1988*. HC 319. HMSO, £5·50. ISBN 0 10 231989 8.

The Register

The White Paper states that the effectiveness of the Charity Commission and the proper accountability of trustees depend on maintaining an accurate, up-to-date and accessible register of charities. (Steps are already being taken to computerise the existing register of nearly 165,000 charities.) The White Paper proposes a number of other measures designed to ensure that the register is regularly updated and that registration requirements are met.

Charity Accounts

The Government considers it essential for public accountability and important for supervision that charities regularly provide good quality financial information. To remedy defects in the present arrangements, it proposes to:

– require all registered charities to submit statements of account to the Commission each year;

– introduce graduated requirements governing the content and auditing of accounts; and

– require trustees to make available to the public, on request, copies of their charity's statements of account.

The Government would welcome views on the possible extension of some of these requirements to charities which are excepted from registration or altogether exempt from the jurisdiction of the Charity Commission.

Powers to Deal with Abuse

The White Paper stresses the importance of shifting the balance of the Charity Commission's activities towards dealing more effectively with abuse and inefficiency. Better management information will be needed; improved staff training will be required; and the arrangements for registration and for calling in accounts will have to be tightened up. In equipping the Charity Commission to deal better with abuse or mismanagement of charities, the Government proposes to:

– exclude from trusteeship people convicted of offences involving fraud or dishonesty;

– give the Commissioners discretion to require a charity to have at least three trustees;

– give the Commissioners power in certain circumstances to appoint receivers and managers, to use powers to make schemes altering the trusts of charities without an application of the trustees, and to transfer a charity's assets to another charity.

Under these proposals, the Charity Commission would, for the first time, be able to go direct to court to recover charity property or to enforce obligations owed to charities. This power, at present available only to the Attorney-General, would complement the Commission's strengthened monitoring and investigative powers.

The White Paper notes that since 1986 the Charity Commission and the Inland Revenue have co-operated in exchanging information about the misappropriation of charity funds. It says that the Government will be considering whether similar arrangements are needed for exchanging information between the Commission and other government departments and statutory bodies, such as the Department of Trade and Industry and the Serious Fraud Office.

Local Reviews and Scheme-making

In line with the Woodfield Report's recommendations to clarify and simplify the making of schemes to alter the trusts of charities, to relieve Commission staff of inessential work, and to increase the powers of trustees of small local charities to manage their own affairs, the Government now proposes to:

– allow the Commissioners, as well as local authorities, to appoint persons to review local charities;

– apply the existing law more extensively by increasing the monetary limits and simplifying the required procedures;

– extend the Charity Commission's scheme-making powers to cover charities without properly constituted trustee bodies.

Consent to Land Transactions

By law, trustees must obtain the Charity Commission's consent before selling or otherwise disposing of certain charity property. This ensures that it is proper for the transaction to go ahead and that the best price has been obtained. The additional steps which the Commission asks the trustees to take are for the most part those which the trustees should have done automatically because of their legal duty to act in the charity's best interests. The White Paper therefore proposes to enable trustees to dispose of charity property without consent, provided they meet a number of new statutory requirements. These would involve seeking the advice of a suitably qualified and experienced surveyor.

Divesting the Official Custodian for Charities

In November 1988 the Government announced its intention to abolish the investment services of the Official Custodian for Charities, thus giving charities direct responsibility for the investments, amounting to £1,250 million, now held on their behalf by the Official Custodian. The White Paper proposes arrangements for divestment, including dealing with stock by stock transfers, transfers in cash or in kind, undated and dated fixed interest securities and untraceable charities.

Charging by the Charity Commission

As the White Paper points out, the Charity Commission's services are, and have traditionally been, provided free to charities. The Government believes that it would now be right to ask charities and those who use the register to make a small contribution to the costs of the Commission, at present running at over £7 million a year. It proposes to introduce a flat-rate registration fee of £25 and modest graduated charges for a number of Charity Commission services. These would include the filing of charities' accounts; the making of schemes to alter the trusts of charities; dealing with enquiries from members of the public; and the production of leaflets by the Commission. The revenue would contribute to, but not cover, the costs of the Commission, roughly 90 per cent of which would continue to be borne by the Exchequer. Small charities with limited means would continue to receive the Commission's services free.

Charitable Appeals

The White Paper states that the Government does not believe that it would be appropriate at this stage to introduce wide-ranging legislation to control all types of fund-raising. It has concluded, however, that street and house-to-house collections continue to need regulation due to the scope for abuse, and that the present law, which is out of date and complex in operation, needs to be clarified and simplied. It proposes to follow the existing law in Scotland by adopting the following features:

– a provision making it an offence to organise or promote a public charitable collection without the permission of the local authority for the area in which the collection is to be held;

– a requirement to obtain a licence for collections on private property to which the public has unrestricted access;

– a requirement of one month's notice from applicants for a collections licence;

– the setting out in legislation of specific grounds on which a licence application may be refused or revoked; the grounds for such action to be notified in writing by licensing authorities to applicants; and

– a provision entitling the licensing authority to impose its own local conditions, for example on the timing, local and conduct of collections.

The Government will also be looking for effective self-regulation of the newer forms of fund-raising, such as direct mail and telephone campaigns, 'telethons' and other television appeals. Public vigilance will continue to be vital. The Government also proposes to take power to make regulations governing other forms of charitable appeal should this become necessary.

Scotland and Northern Ireland

The White Paper points to a number of important differences between charity law in Scotland and Northern Ireland and that in England and Wales. Neither Scotland nor Northern Ireland has a statutory body equivalent to the Charity Commission, nor is there a statutory requirement in either country to maintain a central register of charities.

The Government has accepted that there is an important role for the state to play in the supervision of charities in Scotland. Various interested bodies have been consulted and the Secretary of State for Scotland will be making an announcement shortly. The Government will also be considering how far the changes proposed in the White Paper should be extended to Northern Ireland.

SCRUTINY OF GOVERNMENT FUNDING OF THE VOLUNTARY SECTOR

A wide-ranging efficiency scrutiny of government funding of the voluntary sector was announced by the Home Secretary, Mr Douglas Hurd, in the House of Commons on 16 May (*Hansard*, Vol 153, No 107, written answers, cols 139-40). Noting the increase in government funding of the voluntary sector (see p 257), and the sector's important position as a third force alongside the public and private sectors of the economy, Mr Hurd said that the Government had concluded that it would be timely to examine its funding of the voluntary sector. It would seek to ensure that the purposes for which grants were made were properly defined and had a beneficial purpose; and that funds were being effectively and efficiently deployed in a way which was of practical help and which achieved the benefits intended. The efficiency scrutiny would examine:

– the full range of programmes for government funding of the voluntary sector;

– the purposes for which financial provision was made under these programmes;

– the different types of funding employed;

– arrangements for identifying and selecting suitable voluntary organisations for particular tasks, and for setting objectives and monitoring and reviewing performance and results; and

– arrangements for administering the programmes.

It would subsequently make recommendations, where necessary, for achieving cost effective programmes.

Mr Hurd said that the scrutiny team, whose report he expected to receive in September, would be drawn from a number of government departments under the supervision of a group of ministers chaired by the Minister of State at the Home Office, Mr John Patten.

Immigration

A number of changes in the Immigration Rules, including provisions to introduce a visa requirement for citizens of Turkey and Haiti, were approved in the House of Commons on 21 June. The Government has announced plans to introduce a DNA blood testing scheme (deoxyribonucleic acid – 'genetic fingerprinting') into the entry clearance process for first-time settlement applicants later this year.

Immigration Rules

The main changes in the Immigration Rules[1] consist of: the introduction of a visa requirement for citizens of Turkey and Haiti wishing to enter Britain; provision to prevent those visitors who need visas before entering Britain from switching after arrival from visitor to student status; and a provision enabling women admitted to Britain for employment or business to be joined by their spouses and children under 18 years of age. The changes relating to Turkish citizens took effect from 23 June; the remaining changes took effect from 8 July.

The changes were approved at the end of a debate in the House of Commons on 21 June by 170 votes to 113 (*Hansard*, Vol 155, No 126, cols 286-309). The Minister of State at the Home Office, Mr Timothy Renton, told the House that the changes would maintain the effectiveness of the country's immigra-

[1] *Statement of Changes in Immigration Rules*. HC 388. HMSO, £5·10. ISBN 0 10 238889 X.

tion control and were consistent with the Government's policy of operating a system that was both firm and fair.

Visa Requirement for Turkish Citizens

In a statement to the House of Commons on 6 June on the new visa requirement for citizens of Turkey (*Hansard*, Vol 154, No 15, written answers, cols 45-6), the Home Secretary, Mr Douglas Hurd, said that as part of the increasingly close co-operation between the member states of the European Community on immigration matters, Community interior ministers had for some time been discussing a proposal that visa requirements should be harmonised, and in this context that Turkish nationals should be required to obtain visas to enter any Community country. Most member states, said Mr Hurd, already required visas of Turkish nationals and for operational reasons it had now become necessary for Britain to do the same.

The number of Turkish nationals arriving in Britain who had been refused admission and removed had now reached significant levels. The number of Turkish nationals claiming asylum at ports of entry had also risen sharply.[1] These developments had placed a strain on the immigration control system, creating long delays on occasion and inconvenience for many passengers. The Government had no wish to detain more Turkish asylum applicants than was necessary, but it was often not possible to grant temporary admission where those involved had no connections in Britain, had been unable to support or accommodate themselves without help, and might be tempted to abscond. It would be several months before the cases of those who had already arrived could be processed. All claims to asylum by Turkish nationals would continue to be carefully processed in accordance with the United Nations Convention on Refugees and priority was being given to interviewing those in detention. The new visa regime should benefit all genuine travellers, including business visitors, who would be less likely to encounter delays on arrival in Britain. Regular visitors to Britain would be eligible for multiple-entry visas.

Student Status

Replying to a parliamentary question in the House of Commons on 23 June (*Hansard*, Vol 155, No 28, written answers, cols 163-4) on the new rule relating to student status, Mr Renton said that the change was necessary to ensure the effective operation of the visa system. The 'no-switching' provision was designed to curtail the ability of visa nationals switching after their arrival from visitor to student status when they had no intention of pursuing genuine study. The provision had been confined to visa nationals because the available evidence suggested that passengers from visa countries were the major source of the abuse. Visa nationals would still be able to come to Britain for study, even if they had been unable to finalise all the arrangements beforehand, provided they made their intentions clear and obtained the necessary visa in advance. Genuine visitors would not be affected in any way.

[1]There were 60 such applicants in 1987; 855 in 1988 and 2,294 in the first five months of 1989, with over 1,500 arriving in May alone.

DNA Testing in Immigration Cases

In a statement to the House of Commons on 14 June (*Hansard*, Vol 154, No 123, written answers, cols 463-5), Mr Hurd announced the Government's intention to introduce DNA testing as part of the entry clearance process in relation to first-time settlement applicants later this year.

DNA testing, he explained, was the most accurate available method of determining parentage in immigration cases.

During the last year many hundreds of cases had been satisfactorily determined through its use and the Government had concluded that there was scope for introducing such testing into the entry clearance process more generally as a means of resolving relationship disputes. It would not be offered as a matter of routine. Rather, entry clearance officers would offer to arrange tests, with the consent of the applicant and sponsor, in cases where the relevant relationships could not easily be demonstrated by other means. If an applicant or sponsor declined to undergo a test, that would not in itself be a ground for refusing the application. But if an entry clearance officer was not satisfied as to the claimed relationship on the basis of the evidence before him, these arrangements would provide applicants with an opportunity to resolve the matter by taking a DNA test.

The tests would be carried out, as at present, by independent scientific experts on a commercial basis. The level of the fee to be charged for applications would need to strike a balance between not imposing too great a burden either on the individual applicant or on the taxpayer. Arrangements would be made for financing a centrally organised scheme on this basis.

Mr Hurd then considered the cases where an applicant, previously refused entry as a child on the grounds that there was no satisfactory evidence as to relationship, was now able to establish relationship by means of DNA evidence but, being over 18, did not satisfy the requirements in the rules relating to the admission of adults. He said that while he did not believe it would be right to waive those requirements as a matter of course in all such cases, irrespective of the applicant's present age or circumstances, he would be prepared to consider waiving them in certain circumstances. To be eligible for such consideration, re-applicants aged 18 or over would have to show that:

– they were refused entry clearance as children on relationship grounds;

– DNA established that they were, after all, related as claimed;

– they were still wholly or mainly dependent on their sponsors in Britain; and

– there were compassionate circumstances in their cases.

Mr Hurd said that he would not regard the fact that a re-applicant had been refused entry clearance as a child on relationship grounds on an earlier occasion and had therefore been unable to join his other sponsor in Britain as satisfying, in itself, the requirement that there were compassionate circumstances.

In deciding whether to waive the requirements of

the rules in cases which fell into this category, he would consider all the circumstances of the case, including in particular:

– the degree and nature of the dependency;

– the extent and nature of the compassionate circumstances;

– the re-applicant's present age and marital status;

– whether other close family members, such as siblings, were already settled in Britain; and

– the lapse of time between the original application and the re-application.

Mr Hurd said that greater weight would be given to compassionate circumstances relating to the situation of the applicant abroad than to those relating to the situation of a sponsor in Britain.

Chemical Weapons and Nuclear Non-Proliferation

Britain's views on the need for a ban on chemical weapons and on the non-proliferation of nuclear weapons were expressed in a speech by Mr William Waldegrave, Minister of State at the Foreign and Commonwealth Office, at the Conference on Disarmament at Geneva in June. A British paper on practice challenge inspections of military facilities was also tabled.

BRITISH STATEMENT

Chemical Weapons

In his speech on 16 June, Mr Waldegrave said that the European imbalance in chemical weapons between East and West was a potentially destabilising factor of great significance. In addition, not only was the number of countries outside Europe with chemical weapons capabilities growing but such weapons were also being used (see pp 297-9, 1988, and pp 13-14).

The Paris Conference in January (see pp 10-12) had made clear the widespread revulsion of the international community against the use of chemical weapons and had recognised that a comprehensive and global ban on such weapons offered the only effective solution. The general concept of a convention was in place and progress had been made on the detail, although there was still much hard, technical work left. 'The need now is for a clear, practical, problem-solving approach to removing the remaining obstacles', Mr Waldegrave stressed.

Verification

Verification, he continued, remained the top priority. Although existing verification provisions went a long way towards achieving this, further efforts were needed so that all high-risk facilities and activities – such as dual-purpose production plants and military installations – were covered adequately.

The British approach was on two levels, Mr Waldegrave said: practical verification proposals and efforts to shape the climate of international opinion. Britain had recently presented ideas for *ad-hoc* inspection to strengthen verification, but more work had to be done in order to establish a convincing verification structure. In addition, a British working paper on novel agents aimed to point up issues that had to be addressed in the negotiations. Mr Waldegrave stressed that the convention had to be able to deal effectively with developments in chemical and biochemical technology.

On challenge inspection, Britain had been concentrating on a comprehensive programme of national trial inspections at a wide range of military facilities. Although challenge inspection was crucial to the verification of a convention, there was still uncertainty about 'how to reconcile the rigour necessary for effective verification with the protection of legitimate national or commercial secrets'. Britain's national trial inspections were starting to produce some answers and the British paper before the Conference offered some interim observations (see below).

Underlying all this work was the question of confidence which was growing between East and West in many areas. This was why the lack of Soviet openness about its chemical weapon stockpiles had damaged 'that indivisible quality of trust'.[1] Britain hoped that the general improvement in the Soviet attitude to providing data would soon extend to chemical weapons where evasion and mistrust were currently a major obstacle to progress.

Mr Waldegrave said that, although countries of NATO and the Warsaw Pact were well placed to offer a lead, all countries had a collective responsibility to demonstrate in practical ways their commitment to chemical weapons control, by controlling the proliferation of chemical weapons, and joining international efforts to apply pressure to countries that were seeking to conceal their chemical weapons production or use. All countries had to give data on national chemical weapons capability where it existed, honour existing international obligations against the use of chemical weapons, and work seriously for a global ban.

Mr Waldegrave said that it was sometimes argued that the acquisition of chemical weapons was a justifiable response to the possession or acquisition of nuclear or conventional weapons by other states. There was no evidence, however, that chemical weapons had ever had this deterrent effect in the past, and they were likely to have a destabilising effect on the local balance of power as the other side looked for ways to catch up. 'In the medium term,'

[1]The Soviet Union has said that its chemical weapon stockpile is 50,000 tonnes, several times below Western estimates (see pp 176-7).

he said, 'everyone will gain from the verified total ban which is the prime aim of the Conference.'

Nuclear Non-Proliferation

The best way to reduce the threat from nuclear weapons, Mr Waldegrave continued, was not to oppose them with other weapons but – through a common effort – to cut existing numbers and prevent nuclear proliferation.

The cornerstone of these efforts was the 1968 Non-Proliferation Treaty which was the most successful arms control treaty with 138 signatories.[1] In the early 1960s fears were expressed that many countries had the scientific and economic means to become nuclear weapons states. The fact that these fears proved to be unfounded was due in large part to the Non-Proliferation Treaty: since the Treaty came into force in 1970, the number of such states had been restricted to five. As technology had become more accessible, the Treaty had needed to be kept in place for the security of all, Mr Waldegrave said: 'This is particularly so for the non-nuclear weapons states which have considerably more to lose than nuclear weapons states from additional countries acquiring a nuclear capability.' Although nuclear weapons were part of the European equation, it had taken a long time to establish stable deterrence between East and West and the process had not been without its moments of tension. 'Regions where nuclear weapons do not already exist can only lose, in terms of security, from their introduction.'

It was all the more important to preserve non-proliferation at a time when prospects for cutting existing nuclear weapons were better than for many years. The nuclear weapons states took seriously their commitment under the Treaty to pursue negotiations on effective nuclear disarmament measures. NATO stockpiles of nuclear weapons had been reduced by 35 per cent over the past ten years and the Intermediate Nuclear Forces Treaty (see pp 9-11, 1988) and an agreement on strategic nuclear weapons would cut nuclear arsenals (see p 176).

There was a growing number of agreements designed to build confidence and reduce the risk of incidents between members of NATO and the Warsaw Pact, the Minister pointed out. There was also an increasing readiness to work together to help resolve regional conflicts and world problems. 'All these developments enhance international security which nuclear proliferation can only undermine.'

Mr Waldegrave said that, as verification technology improved, it was right that thought should be given to further steps to control nuclear testing. An immediate move to a comprehensive test ban would, however, be premature and even destabilising, since East-West security would depend for the forseeable future on deterrence based, in part, on nuclear weapons. 'That will mean a continuing requirement to conduct underground nuclear tests to ensure that our nuclear weapons remain effective and up to date.'

[1]The Non-Proliferation Treaty was reviewed in 1985 (see pp 291-3, 1985), and will be reviewed again in August/September 1990.

The Non-Proliferation Treaty would remain an essential framework throughout this gradual process of building up trust. There was no question, in Britain's view, of allowing the Treaty to lapse, or replacing it with a different type of agreement when it fell due for extension in 1995.

BRITISH PAPER

In tabling proposals for a challenge procedure to verify compliance with a chemical weapons convention in 1986 (see pp 260-2, 1986), Britain recognised that a state which received a challenge might have legitimate security interests and it would have the right to propose alternative measures to demonstrate its compliance. In 1988 and 1989 Britain set out to test its proposals by conducting a series of practice challenge inspections of some military facilities. The objectives of the tests were to assess the security implications of challenge inspections; to examine ways of demonstrating compliance while protecting legitimate security interests unrelated to the challenge; and to draw lessons on how challenge inspections might be conducted.

In October 1988 and March 1989 trial challenges took place at two conventional ammunition storage facilities, the first of a programme which will involve further trials at more security-sensitive facilities, the results of which will be reported to the Conference.

Provisional observations arising from the first trial inspections, the British paper says, included a requirement for a very specific definition of a challenged facility and the need for further work on guidelines on the right of access to areas outside the site. Also, it was necessary to have an advance party on the site immediately after the issue of the challenge in order to seal the facility and monitor movements in and out, and for a sizeable support staff to assist the inspection team.

On the question of maintaining the legitimate security interests of the challenged state, the paper said that the conduct of an actual challenge would not necessarily entail complete and uncontrolled access to all parts of a facility. Varying levels of access from mere visual observation of shrouded items, so as to protect sensitive information, to touching the items, use of monitoring equipment and removal of part of the shroud was possible and could be effective depending on the sensitivity of the items and the overall impression provided by the facility under inspection. A question that needed to be addressed was the degree of shrouding that was necessary. However, guidelines were required before the inspectors would be able to make objective assessments.

Although the trials confirmed Britain's belief that challenge inspection would be an important safety net element in the verification regime, the paper concluded that the complexities of challenge inspection would require work to be done, in particular on the issue of managed access. In the meantime, the paper strongly recommended that other countries participating in the chemical weapons negotiations should conduct their own practice challenge inspections of military facilities and report their findings to the Conference.

Indo-Chinese Refugees: International Conference

The need for Vietnam to stem the outflow of its population and to ease the burden on areas of first asylum like Hong Kong was emphasised by the Foreign and Commonwealth Secretary, Sir Geoffrey Howe, in a speech to the International Conference on Indo-Chinese Refugees in Geneva on 13 June.

In July 1988 member states of the Association of South East Asian Nations (ASEAN) called for a second international meeting to seek a comprehensive and lasting solution to the problem of Indo-Chinese refugees. This initiative was subsequently endorsed by the United Nations General Assembly.

Organised by the Office of the United Nations High Commissioner for Refugees (UNHCR) and convened by the UN Secretary General, Mr Perez de Cuellar, the conference – held in Geneva on 13 and 14 June – was attended by 76 countries and numerous non-governmental organisations. It took place against a background of increased arrivals of Vietnamese boat people throughout South East Asia, where numbers in first asylum camps had reached 90,000 by the time the conference opened. The conference, which also considered the problem of Laotians seeking refuge in Thailand, adopted by consensus a Comprehensive Plan of Action designed to deal with the problem and a steering committee was appointed with responsibility for following up the plan. The committee consists of fifteen countries of first asylum and resettlement – Australia, Austria, Britain, Canada, France, Japan, Laos, Malaysia, the Netherlands, Norway, the Philippines, Switzerland, Thailand, the United States and Vietnam – and is open to other interested governments. The conference requested the committee to establish a firm timetable for implementing the plan of action and to assess progress achieved by October.

Background

The flow of Vietnamese asylum seekers, and of the boat people in particular, has been the subject of international concern since 1975. The first UN meeting (see pp 224-28, 1979), held in July 1979, resulted in an understanding that temporary asylum would be provided by the coastal states in the region, pending resettlement of the asylum seekers in other countries. The meeting also endorsed the Programme for Orderly Departure from Vietnam, which has enabled some 165,000 people to leave Vietnam for countries of new residence under the supervision of the UNHCR. Since 1975 more than a million Vietnamese have been granted permanent residence in over 30 countries. The main recipients of those resettled in the West have been the United States, Canada, Australia, France and Britain. Over 20,000 have settled in Britain.

The number of Vietnamese boat people landing in countries of first asylum reached its peak of just over 200,000 in 1979. It then dropped steadily to a low of 19,527 in 1986 but rose again in 1987. In 1988 a total of 45,530 boat people landed, and this trend of high arrivals has continued throughout the first part of 1989. In April 1989 there were 75,520 Laotians, 74,180 Vietnamese and 15,670 Cambodians in UNHCR-assisted camps in the region.

In May 1989 some 9,200 boat people arrived in Hong Kong – more than in any single month since 1979 – and there are now over 43,000 in the territory. Because of the increased number of new arrivals, Hong Kong adopted a new policy in June 1988, under which all new boat people arrivals are screened in accordance with UNHCR guidelines to determine whether they are genuine refugees under the 1951 UN Convention and the 1967 protocol relating to the Status of Refugees. These provide that a person is a genuine refugee if he or she has a well-founded fear of being persecuted for reasons of race, religion, nationality, political opinion, or membership of a particular social group. Any person designated as a Vietnamese illegal immigrant has the right to object to this refusal of refugee status. Those seeking to enter Hong Kong as economic migrants are treated as illegal immigrants and placed in detention centres pending repatriation to Vietnam.

When the new screening policy was announced in June 1988, the British Government said that it was in touch with the resettlement countries, the UNHCR and the countries of the region about the change of policy and the need for concerted action by the international community to deal with the problem at source and find a lasting solution. Bilateral discussions between Britain and Vietnam on the repatriation of boat people began in August 1988 and, during a second round of talks in October, it was agreed that an immediate start should be made on the repatriation of those who had already applied to return (see pp 230-1, 1988). Further talks were recently held in London.

In March 1989 ASEAN member states announced that boat people arriving on their shores would no longer have automatic access to resettlement and that refugee status determination procedures would be established throughout the region.

British Views

Addressing the Conference on 3 June, Sir Geoffrey Howe said that the continuing outflow of people from Vietnam had imposed an enormous burden on Hong Kong – one which had become intolerable for a territory of only 400 square miles and 35 times as heavily populated as Switzerland. It was impossible for Hong Kong to cope with arrivals at the present rate and they were having to be accommodated on ferries, in tents or moored in their own boats. 'The scale of the problem is now such that it poses a serious threat to Hong Kong's stability – and all this at a time when events in China are, for quite other reasons, causing the gravest anxiety in Hong Kong. Local patience is exhausted. Hong Kong is now at the end of its tether.'

Endorsing the plan of action before the conference, Sir Geoffrey stressed that genuine refugees had to be separated from economic migrants. 'The great majority of those now arriving in Hong Kong are economic migrants – farmers, fishermen and peasants from the North, with no association with the former South Vietnamese regime and therefore no chance of being accepted as refugees for resettlement in the West. We have accepted an obligation to refugees, but we have no obligation to

those whom the international community does not recognise as refugees but who have migrated for economic reasons.'

Sir Geoffrey stated that Hong Kong had borne much of the burden of sheltering genuine refugees but it could not harbour people who were not refugees and who did not qualify for resettlement. The resettlement countries had pledged themselves to make a determined effort to clear the camps, within three years, of those who qualified as refugees, and Britain was particularly grateful to the United States, Canada, Australia and the Nordic countries for their offers. The British Government would also play its part; in March 1989 it undertook to double Britain's rate of resettlement by taking a further 1,000 refugees and, as requested by the UNHCR, would take another 1,000 on top of that.

Role of Vietnam

The key to a solution, said Sir Geoffrey, lay with Vietnam which had to accept that no country had the right to export its surplus population to other countries. 'It must accept its obligations under international law to receive back those of its nationals who are not allowed entry into other states. It must, therefore, agree, and agree quickly, to the repatriation of all those who are "screened out" as non-refugees by the places of first asylum. There is no future for those people except back in their own country. That is the logic of the screening process. That is the only way the present problem can be solved.'

Vietnam had to take effective measures to stem the outflow and punish the organisers; it also had to agree to take back all non-refugees in safety and with dignity. Arrangements for monitoring voluntary returnees – agreed between the UNHCR and the Vietnamese Government – could serve as a model. The British Government was ready to do its utmost to ensure the success of an agreed programme of repatriation just as it had contributed to the arrangements for voluntary returnees. In addition, Vietnam had to enable those who, as refugees, had resettlement places waiting for them in the West, to leave promptly under the Orderly Departure Programme.

The Future

Sir Geoffrey emphasised that the Comprehensive Plan of Action was not, by itself, enough to deal with the problem. Even if it was implemented quickly, as it had to be, the plan would take some time to achieve its aim and Hong Kong did not have the luxury of time. Work on the introduction of mandatory repatriation had to begin as soon as possible, since voluntary repatriation alone, as shown in a year's experience in Hong Kong, was no answer. Of Hong Kong's boat people population of well over 40,000, fewer than 150 had returned voluntarily. In addition a regional processing centre for refugees needed to be established as soon as possible. This idea was not new, since it was part of the 1979 action plan. A regional centre would give immediate relief to the overcrowding in Hong Kong and elsewhere. It would be for refugees and not for those screened out as non-refugees. Britain, therefore, welcomed the generous offer made by the Philippines to provide a regional resettlement centre for those in first asylum camps. The cost of maintaining the centre would fall to the international community, and Britain would contribute £5 million provided that other countries were also prepared to help.

Without these two steps, concluded Sir Geoffrey, Hong Kong would simply be unable to maintain the policy of first asylum any longer. 'Hong Kong would not take this step lightly but it is very fast approaching the point where there will be no other option.' For all those who were not truly refugees, the era of automatic resettlement was at an end. 'The future of Vietnamese people does not lie in the cramped conditions of camps in over-crowded places like Hong Kong, with no hope of eventual resettlement. The future of Vietnamese people must lie in Vietnam.'

Vietnamese View

The Vietnamese foreign minister, Mr Nguyen Co Thach, told the Conference that Vietnam had co-operated with the UNHCR through the Orderly Departure Programme and that 21,275 people had been authorised to leave in 1988, almost double the figure for 1987. In the first four months of 1989 some 13,600 people had left under the programme. Vietnam did not want to see illegal departures and had taken a number of measures designed to discourage them. In 1988 Vietnam had had negotiations with Malaysia, Thailand and the Hong Kong authorities on voluntary repatriation, the first groups having arrived in Vietnam under UNHCR supervision. Vietnam believed that the conference action plan had to be respected and that action was also required to deal with the root of the problem of illegal emigration, by providing international aid to Vietnamese regions in serious economic and social difficulties.

Comprehensive Plan of Action

The plan of action adopted by the conference says that emigration from Vietnam by regular departure procedures and migration programmes, such as the Orderly Departure Programme, should be encouraged and expanded with a view to making such programmes the primary and eventually the sole means of departure. This would be achieved by widely publicising the arrangements in order to enable all those eligible to have access to them and by Vietnam expediting and improving processing under them. If necessary, and with external financial support as appropriate, transit facilities would be expanded to facilitate increased departures under such programmes.

On the reception of new arrivals, the plan states that temporary refuge would be given to all asylum seekers and that the UNHCR would retain access following the determination of their status. New arrivals would be transferred as soon as possible to a temporary asylum centre to await determination of their status. This would take place in accordance with national legislation and internationally accepted practice and criteria, principally those recognised in the 1951 Convention and its 1967 protocol (see p 265), which would be applied in a humanitarian spirit, the UNHCR participating as observer and adviser.

The procedures would include the provision of information to asylum seekers on the criteria and the presentation of their cases, prompt advice of the decision in writing within a prescribed period and a

right of appeal against negative decisions. If genuine refugee status was determined, the persons concerned would be resettled. Pledges were made by individual governments at the conference to resettle 57,000 genuine refugees.

The plan states that people who do not have refugee status should return to their country of origin in accordance with international practices reflecting the responsibilities of states towards their citizens. To encourage the voluntary return of such people, the country of origin would provide widely publicised assurances that returnees would be allowed to return in conditions of safety and would not be subject to persecution. If, after a period of reasonable time, it became clear that voluntary repatriation was not making sufficient progress towards the desired objective, alternatives recognised as being acceptable under international practices would be examined. A regional holding centre under the auspices of UNHCR would be considered as an interim measure for housing persons determined not to be refugees pending their eventual return to the country of origin.

The UNHCR, supported financially by donors, would be in charge of co-ordination with concerned governments and other organisations on the plan's implementation.

Intensified trilateral negotiations between the UNHCR, Laos and Thailand will pursue solutions to the continuing problem of Laotian refugees and asylum seekers. These talks will focus on the maintenance of safe arrival and access to screening procedures and on the acceleration and simplification of the process for the return of both recognised refugees, who wish to be repatriated, as well as those who have been refused refugee status.

Hong Kong

Britain's commitment to the future of Hong Kong and the need for the People's Republic of China to implement the 1984 Joint Declaration were emphasised by the Foreign and Commonwealth Secretary, Sir Geoffrey Howe, in a speech during a visit to Hong Kong from 2 to 4 July. On the question of the right of abode for Hong Kong citizens in Britain, Sir Geoffrey said that the British Parliament could not be persuaded to support an open-ended scheme allowing several million people to settle there.

Sir Geoffrey's visit to Hong Kong followed the expression of strong concern in the territory about its future following the massacre in Peking in early June and the subsequent repression of the democracy movement in China (see pp 232-4). Just before his arrival the House of Commons Foreign Affairs Committee published a report on Hong Kong and its future.

Foreign and Commonwealth Secretary's Speech

Speaking on 3 July to community leaders, Sir Geoffrey said that the tragic events in Peking had destroyed at a stroke the reputation the Chinese Government had been building for itself for more than ten years. Shock waves had been sent around the world and nowhere were they felt more strongly than in Hong Kong.

Britain had made plain its reaction and, together with its partners in the European Community, had stopped military co-operation with and arms sales to China, suspended high-level visits, postponed new co-operation projects and cut back on cultural, scientific and technical co-operation. The British Government had also reaffirmed its determination to stand by Hong Kong.

The Joint Declaration

The British Government was dismayed and angry at the damage done in the name of China to the faith and confidence of those in Britain and Hong Kong who had laboured so hard to construct a solid relationship with China. The very core of that work had been the building of a secure future for Hong Kong and – against the odds – Britain had succeeded in negotiating with an authoritarian Communist Government an agreement which would preserve Hong Kong's way of life, freedom and economic prosperity. The Joint Declaration (see pp 368-74, 1984) had been widely welcomed as offering the best obtainable prospects for the future of Hong Kong. The agreement with China remained a worthwhile one, a view recently endorsed by the House of Commons Foreign Affairs Committee (see below) and by the Office of the Executive and Legislative Councils (OMELCO) in Hong Kong in a statement on 28 June. Reneging on the Joint Declaration was simply not an option. By virtue of history and geography, Hong Kong's future had to be negotiated with the Chinese Government. The Joint Declaration was an internationally binding treaty registered at the United Nations, of whose Security Council both Britain and China were permanent members. 'The events of recent weeks do not make that treaty any less binding – they do make its strict observance all the more necessary.'

The agreement was designed to safeguard Hong Kong from the kind of problems in China of which an extreme example had been seen. It was 'intended to provide for Hong Kong, within the larger sovereignty, a secure, distinct existence of its own.' It provided explicitly for a number of freedoms, notably a free press, freedom to demonstrate peacefully and freedom from arbitrary arrest, and laid down that Hong Kong would keep its own laws, judiciary and legal system. 'Recent events in China have not devalued the Joint Declaration; they have not altered the assumption on which the agreement is based – quite the contrary. What has happened in China has demonstrated clearly the value of the one country/two systems concept – not disproved it.'

The Joint Declaration was never by itself enough, however, and there had been a continuous process of negotiations with China through the Joint Liaison Group and other channels to ensure that its provisions would be fully implemented. Britain would now be working with even more determination to make Hong Kong's future as secure as it could be made. Noting that the Chinese Government had given Britain assurances that its policy towards Hong Kong had remained unaffected by recent

events and that it remained committed to the Joint Declaration, Sir Geoffrey said: 'Naturally, we welcome that and we now look to them to demonstrate by their actions that they mean what they say, for there is much that they need to do to repair the damage they have done.'

China had concluded the agreement because it was in its own interests to have a stable and prosperous Hong Kong. Its economic stake in the territory was colossal and it was in China's interest as well as Hong Kong's that the two systems should remain separate from each other.

Right of Abode in Britain

Turning to the question of nationality and right of abode in Britain, Sir Geoffrey said that he was aware of the argument that an insurance policy for all would underpin the confidence of those individuals wishing to remain in Hong Kong and that at the moment comparatively few Hong Kong people would in practice wish to take up a right of abode in Britain. 'But . . . there is simply no way that a British Government could grant to several million people the right to come and live in Britain.' This was a practical problem on an enormous scale, and not one of race. If Britain were to extend the right of abode to 3·3 million British Dependent Territories citizens or to all 5·7 million Hong Kong people, it would never know how many might present themselves for settlement as a matter of right, not just in the next eight years but over the coming decade. 'It would be an indefinite and open-ended commitment that would test our capacity in all kinds of areas – housing, employment, transport, inner city services – on a scale and in a way that far exceeded any previous experience. I believe that there is no way that the British Parliament could be persuaded to support such a scheme on this scale and that is a view shared by the great majority of Members of Parliament on both sides of the House.'

There was no more binding contract than an insurance policy and there could be no more cruel deception than an insurance policy Britain could not deliver. But Britain was not washing its hands of the problem and action was being planned in two areas. To give some reassurance, Britain was working on a scheme to make some provision for people in both the private and public sectors to come to Britain on the basis not simply of connections with Britain but also of the value of service to Hong Kong. An announcement would be made to the House of Commons as soon as details were worked out.

Britain was also examining what would need to be done should there be a far reaching breakdown of the arrangements in the Joint Declaration. He was not predicting anything of the sort, believing that Hong Kong had a secure future. He recognised, however, that Britain had firm obligations to Hong Kong if things did go catastrophically wrong. 'We would not close our door and we would mobilise the international community to help us if the numbers leaving Hong Kong in such circumstances were larger than we could deal with alone. We have already started work on this.'

Working Towards 1997

Britain would spare no effort in discharging its responsibility for the administration of Hong Kong before 1997. It would ensure the continuation of reliable and efficient government to safeguard Hong Kong's security, to protect its prosperity and to preserve the freedoms essential to the territory's way of life.

Recent political reforms, Sir Geoffrey said, had been based on an assessment of what Hong Kong itself wanted. Hong Kong opinion, however, had moved on even before the massacre in Peking, as indicated by the unanimous OMELCO proposal announced on 24 May for a 50 per cent directly elected legislature in 1997, moving to full direct elections six years later. Changes currently proposed for 1991, therefore, needed to be examined, with careful consideration being given to further steps that might be necessary before 1997. The provisions of the Basic Law on constitutional arrangements would need full appraisal once the drafting process resumed. 'Britain will continue to construct its approach to this question on the basis of the views that Hong Kong people themselves express. Our decision on what should be done before 1997 and our joint and several discussions with the Chinese about arrangements after 1997 will all proceed from that starting point.'

Another matter that Britain would raise with China when discussions were renewed was Article 18 of the draft Basic Law which could enable the Chinese Government to declare a state of emergency in Hong Kong after 1997. This article had given rise to great anxiety in Hong Kong in the light of recent events in China and there was no doubt that it needed thorough re-examination. In addition, the scale and nature of any presence of the People's Liberation Army (PLA) in Hong Kong would require rigorous attention when the Joint Liaison Group resumed its work.

The British Government also attached great importance to the question of human rights. The Hong Kong Government was urgently considering how best to safeguard human rights within the territory's present constitution. 'This means, in particular, a Bill of Rights which will form part of the existing law and continue after the transfer of sovereignty.'

Conclusion

Concluding, Sir Geoffrey said that Britain would stand by the Joint Declaration and redouble its efforts to ensure that the Chinese kept their obligations in full. Hong Kong's future beyond 1997 was not the consequence of choices imposed on it by the British Government but instead reflected the facts of Hong Kong's history and geography. Hong Kong would continue to consolidate its future as a great international city. He added: 'You will be building on foundations which Britain has helped to lay, foundations that will endure to the middle of the next century. Britain is determined to work with you to safeguard what we have been and what we shall go on building together.'

Foreign Affairs Committee Report

Published on 28 June,[1] the House of Commons Foreign Affairs Committee report on Hong Kong

[1] *Hong Kong.* Second Report of the House of Commons Foreign Affairs Committee, Session 1988-89. HMSO, £7·40. ISBN 0 10 299789 6.

says that the Joint Declaration should be retained as providing the best and surest treaty base for Hong Kong's future and that the implementation of its provisions, particularly through the Basic Law, is the main issue on which attention should be concentrated. The committee believes that a review of existing Hong Kong legislation should be undertaken to identify any possible breaches of the International Covenants on human rights and that a Bill of Rights should be introduced. Article 18 of the Basic Law also needed revision, and the British Government needed to make clear to the Chinese Government the strength of feeling in Hong Kong against any stationing of PLA troops there.

The committee recommends that full democracy should be introduced before 1997 and that a Green Paper should be published as soon as possible to canvass views on a wide range of issues relating to electoral law, the results to be incorporated into law for the elections to the Legislative Council in 1991. Fifty per cent of the Council's members should be directly elected as the first stage of this process in 1991 and full direct elections should follow in 1995. The committee also believes that the first Chief Executive should be elected by means of a democratically constituted electoral college and that this election should take place six months before the transfer of sovereignty; subsequent Chief Executives, the committee says, should be elected by universal suffrage.

The committee points out that the accommodation of several million people from Hong Kong would be quite possible if shared among the international community. Noting that a fundamental breach of the Joint Declaration could be expected to result in an immediate flight and a subsequent longer-term exodus of people from Hong Kong, the committee says that Britain alone cannot accommodate such a large influx of people and that any assurances should involve the international community which could resettle a large number of people from Hong Kong. The British Government, it recommends, should take the lead at the earliest possible opportunity, with its European Community partners and immigrant receiving countries, such as Australia, Canada and the United States, in establishing definite guarantees that could be put into place. Immediate asylum should be given by Britain to those who might find themselves after 1997 at risk of unlawful arrest or political persecution. In order to give further reassurance, greater flexibility should also be used in granting British citizenship to Hong Kong civil and other public servants. The committee also believes that non-Chinese ethnic minority British Dependent Territories citizens (about 12,000) should be given British citizenship.

Background

With a population of nearly 5·7 million, Hong Kong is situated on the south-east coast of China and consists of nearly 240 offshore islands and islets and a tiny proportion of the mainland joining Guangdong province. Britain concluded three treaties with the Chinese Government in the nineteenth century relating to Hong Kong: the 1842 Treaty of Nanjing (Nanking), under which Hong Kong Island was ceded in perpetuity; the 1860 Convention of Peking, under which the southern part of the Kowloon peninsula and Stonecutters Island were ceded in perpetuity; and the 1898 Convention of Peking, under which the New Territories (comprising 92 per cent of the total land area of the territory) were leased to Britain for 99 years from 1 July 1898. It was the fact that the New Territories were subject to a lease with a fixed expiry date that prompted the British Government in 1982 to seek to enter negotiations with the Chinese Government on the future of the territory. These led, in 1984, to the signature of the Joint Declaration by the two governments. This, ratified in 1985 following an extensive consultation exercise in Hong Kong (see pp 439-41, 1984), provides for the ending of British sovereignty and jurisdiction over Hong Kong in 1997 when the lease to the New Territories runs out. Under the Declaration Hong Kong's economic system and way of life will be preserved for 50 years after 1997 and the territory will become a Special Administrative Region (SAR) of China.

The Joint Declaration

The Joint Declaration says that the people of Hong Kong will continue to enjoy existing freedoms such as freedom of speech, of the press, of assembly, of association, of travel, of movement, of correspondence, of choice of occupation and of belief. The legislature will make laws for the Hong Kong SAR and the territory's legal and judical systems will be maintained, as will an impartial and effective public service. Hong Kong will also have autonomy in economic, financial and monetary fields and the free enterprise system will be maintained. Although China will be responsible for foreign affairs and defence, Hong Kong will be able to manage certain aspects of its external relations, particularly in the economic field.

The Declaration provides for the creation of a joint British-Chinese Liaison Group as a forum for co-operation between the two governments over the implementation of the agreement up to the year 2000. Agreements have been reached on transitional arrangements for travel and identity documents and it has been agreed that Hong Kong should continue to participate in a number of international organisations after 1997.

In accordance with the Joint Declaration, the Chinese Government is responsible for drafting a Basic Law governing the constitution of the Hong Kong SAR. The Basic Law drafting committee has included representatives from Hong Kong among its members, some of whom resigned after the Peking massacre. The first draft of the Basic Law was published by the Chinese Government in 1988 and a consultative committee took steps over a five-month period to ascertain the views of Hong Kong people. The British Parliament debated the draft in June and July 1988 (see pp 265-7, 1988). A second draft was published in February 1989.

System of Government

The Governor is head of the territory's Government and presides over meetings of the Executive and Legislative Councils. The Executive Council advises the Governor who is required to consult it on all important policy matters; it also considers all principal legislation before it is introduced in the Legislative Council. In practice, policy is decided

corporately by the Governor and the Executive Council. The Council is responsible for making regulations under a number of ordinances. It consists of the Chief Secretary, the Commander of British Forces, the Financial Secretary and the Attorney-General and ten other members appointed by the Governor, one of whom is a civil servant.

The Legislative Council enacts legislation, including that for the appropriation of public funds. Once passed, a Bill does not become law until the Governor gives his assent and it then becomes an ordinance. Council members may also question the administration on matters of public interest and they debate policy issues.

In 1985 a new system of indirect elections was introduced to return a proportion of the Legislative Council's members. It has a maximum membership of 57 comprising the Governor, the Chief Secretary, the Financial Secretary, the Attorney-General, seven official members, 20 appointed members and 26 indirectly elected members. The official and appointed members are appointed by the Governor. A total of 14 of the indirectly elected members are chosen by nine functional constituencies representing occupational or professional groups; of the remainder, ten are chosen by members of the 19 district boards (see below) grouped into ten geographical constituencies and one each by the members of the Urban Council and of the Regional Council.

Following a review in 1987 and a period of consultation, the Hong Kong Government announced in February 1988 that in 1991 ten seats in the Legislative Council would be open for direct election from geographical constituencies, replacing ten seats presently elected by district-based electoral college constituencies.

Nationality

Under the British Nationality Act 1981, nearly 3·3 million Hong Kong residents are British Dependent Territories Citizens (BDTCs) by virtue of a connection with Hong Kong. The great majority of the remainder hold Hong Kong residence permits giving no citizenship status under British law. Neither category has the right of abode in Britain.

Since Hong Kong will cease to be a British dependent territory after 30 June 1997, it will no longer be appropriate for BDTCs to be described as such after that date. The Hong Kong (British Nationality) Order 1986 (see pp 190-1, 1986) therefore enables Hong Kong BDTCs to receive a new status – British National (Overseas) – before 1997 and to retain this for the rest of their lives after 1997, although it is not transmissable to later generations. The Hong Kong Government began issuing British National (Overseas) passports in 1987; the new status does not confer a right of abode in Britain but a person holding such a passport is entitled to enter Britain without a visa for visits of up to three months.

The position of the Chinese Government, as stated in a Memorandum associated with the Joint Declaration, is that all Hong Kong Chinese are Chinese nationals. The Memorandum, however, states that previous Hong Kong BDTCs holding British travel documents may continue to use them after 1997.

Elections to the European Parliament

On 15 June elections were held for Britain's 81 seats in the European Parliament. In England, Scotland and Wales the 78 members were elected under the simple majority system of constituency representation and in Northern Ireland the three members were elected under the single transferable vote system of proportional representation.

In England, Scotland and Wales some 35·9 per cent of the electorate of 42·59 million voted and the number of seats obtained by political parties was as follows:

Labour	45
Conservative	32
Scottish National	1

The vote totals and percentage share of votes gained by the various political parties were as follows:

	Votes	Percentage
Labour	6,153,604	40·1
Conservative	5,224,037	34·1
Green	2,292,705	15·0
Social and Liberal Democrats	986,292	6·4
Scottish National	406,686	2·7
Plaid Cymru (Welsh Nationalist)	115,062	0·8
Social Democratic	75,886	0·5
Others	39,971	0·3

Under the voting system in Northern Ireland, voters place in order of preference as many of the candidates as they wish. A quota is worked out representing the number of votes a candidate must have in order to secure election. In the election the Democratic Unionist (160,110 votes) and Social Democratic and Labour (136,335 votes) candidates were elected on the first count. The Official Unionist candidate was elected subsequently as the result of transfers from other candidates in accordance with voters' preferences. After transfers the final vote for the Official Unionist candidate was 118,785.

European Council

Economic and monetary matters were the main items on the agenda of the European Council's meeting in Madrid on 26-27 June. The Council also discussed the European Commission's proposal for a 'social charter' and issued declarations on the situations in the Middle East and the People's Republic of China.

Background

The Community's European Monetary System (EMS), which came into effect in 1979, is intended to stabilise exchange rates between the participating currencies. It consists of an exchange rate mechanism, a monetary unit known as the European Currency Unit and increased credit facilities. Britain is a member of the EMS but does not take part in the exchange rate mechanism. The Government has stated that Britain will consider joining the exchange rate mechanism when circumstances are right.

A report prepared by European Commission President, M. Jacques Delors, for debate at the Madrid Council, contains a three-stage plan for progressing towards monetary union within the Community, leading eventually to a single European currency and a central European bank. The first stage comprises the strengthening of economic and monetary policy co-ordination within the existing institutional framework. The second stage, after treaty amendment, would be a transitional period, during which responsibility for economic and monetary policy would be transferred increasingly from national authorities to new institutions, including a European system of central banks. In stage three exchange rates would be permanently fixed and national currencies replaced by a single currency.

Prime Minister's Statement

In her statement to the House of Commons on 29 June (*Hansard,* Vol 155, No 132, cols 1107-9), the Prime Minister, Mrs Margaret Thatcher, said that the council had reached agreement on four points. First, the Council had reaffirmed the Community's objective of the 'progressive realisation of economic and monetary union'. This objective had first been set in 1972 when Britain joined the Community and had been reaffirmed on numerous occasions since, including in the Single European Act (see pp 143-4, 1986), but no definition of it had been agreed in Madrid.

Secondly, the report of the Delors committee had been accepted as a basis for future work, but not the only basis. The Prime Minister said that it would be possible to bring in other ideas and approaches.

Thirdly, the Council had agreed that the measures to achieve the first stage of progressive realisation of economic and monetary union would be implemented from 1 July 1990. These would include completion of the single European market, abolition of all foreign exchange controls, a free market in financial services, and strengthening of the Community's competition policy by reducing state aids. Mrs Thatcher said that these were all matters for which Britain had campaigned strongly and where it was well ahead of the great majority of its European partners.

The Prime Minister told the House that no decisions had been reached at the Council on what should follow this first stage towards economic and monetary union. Stages two and three of the Delors report had not been endorsed – indeed, several delegations, including Britain's, had made it clear that they had 'substantial difficulties' with them.

Fourthly, the Council had agreed to carry out the preparatory work for the organisation of an eventual intergovernmental conference to lay down subsequent stages; but such a conference would meet only after implementation of the first stage had begun and when there had been full and adequate preparation. Its decisions would have to be reached by unanimity and would require ratification by Parliament.

The Prime Minister thought that the Council had made as much progress as could be made at this stage, while leaving longer-term issues for further discussion in the future. Very difficult issues still had to be resolved. Stages two and three of the Delors report would involve 'a massive transfer of sovereignty which I do not believe would be acceptable to this House. They would also mean, in practice, the creation of a federal Europe.' The British Government supported the objective of closer monetary co-operation, but would work for solutions that left crucial economic decisions in its own hands. Although the Prime Minister said that Britain's membership of the exchange rate mechanism of the European Monetary System (see pp 421-2, 1988) had not been an issue at the Council, she reaffirmed Britain's intention to join the mechanism, 'but we must first get our inflation down. We shall look for satisfactory implementation of other aspects of the first phase of the Delors report, including free movement of capital and abolition of foreign exchange control.'

Social Dimension

The Council had also discussed the so-called 'social dimension', the Prime Minister said. She stated that Britain's record here was very good, but the Government did not believe that the Community's proposed social charter[1] would help to create conditions for more jobs – indeed, it believed that imposing extra burdens on industry would make the Community less competitive. This was the main reason why Britain had been unable to accept the conclusions of the Social Affairs Council in June,[2] and the Prime Minister said that she had confirmed that refusal in Madrid. But she said the conclusions of the European Council had brought out a very important point raised by many governments during the discussion, that 'national legislation and voluntary agreements have a legitimate role in achieving the Community's social dimension, and not everything has to be the subject of directives from the European Community'. Britain would be putting this view very strongly in future discussions.

Other Issues

The Prime Minister also outlined the Council's decisions on other main issues. She said that it had

[1]The draft Community charter of fundamental social rights, drawn up by the European Commission, sets out a wide-ranging series of rights connected with employment, including such matters as pay, working hours, leave and free time, social benefits, vocational training, equal opportunities, worker consultation and participation, and measures for the disabled and elderly.

[2]At the Labour and Social Affairs Council, which met in Luxembourg on 12 June, ten Community member states endorsed the concept of a social charter, and six of these urged the Commission to prepare detailed legislation as quickly as possible. Denmark abstained on the grounds that although it had no objection to the draft, it had first to consult its own social partners – employers and unions. Britain opposed the charter in principle.

reaffirmed the priority task of completing the single European market with the emphasis on areas of particular importance for Britain: financial services, technical standards, transport and public purchasing. The Council had also welcomed the progress being made against fraud in relation to the Community budget. In addition, it had shown, Mrs Thatcher said, that there was wide acceptance of 'our need to keep checks at frontiers against drugs, terrorism and criminals while making free movement of ordinary, law-abiding citizens a greater reality'.

In political co-operation, the Twelve had expressed their utter condemnation of what had happened in China and agreed a series of measures matching those already taken by Britain (see below). The Council had also expressed its understanding of the anxiety which the events in China had caused in Hong Kong.

Concluding her statement, the Prime Minister congratulated the Spanish Government on its presidency of the Community in the past six months, particularly the progress made on the single European market, with over 60 directives agreed. The main outcome of the Council – agreement to implement a first phase of economic and monetary union – was very much in the interests of British industry and finance, while fully protecting the powers of Parliament. Britain would continue to approach the 'undoubtedly difficult discussions of the Community's future which lie ahead' in the spirit of determination to strengthen co-operation with other Community members, while arguing always for the reduction of constraints on enterprise and competition and for the right of member states to continue to make those decisions which properly belong to them.

Declaration on the Middle East

The European Council also issued declarations on the situations in the Middle East and China in the light of recent events. In the declaration on the Middle East, the Twelve reaffirmed their policy defined in the Venice Declaration of 1980 and in subsequent declarations (see pp 90-1, 1987) – the right of all states in the region, including Israel, to live within secure, recognised and guaranteed frontiers; and justice for all the peoples of the region, including the legitimate right of the Palestinian people to self-determination. The Twelve consider that these objectives should be achieved by peaceful means in the framework of an international peace conference under the auspices of the United Nations (UN), and the European Council is also of the view that the Palestine Liberation Organisation (PLO) should participate in this process.

The Council welcomed the support given by the Extraordinary Summit Meeting of the Arab League in Casablanca (from 23 to 26 May) to the decision of the Palestinian National Council in Algiers to renounce terrorism and recognise Israel's right to exist (see p 12). It also welcomed efforts undertaken by the United States in its contacts with the parties directly concerned, and particularly the dialogue entered into with the PLO – 'Advantage should be taken of these favourable circumstances to engender a spirit of tolerance and peace with a view to entering resolutely on the path of negotiations.'

The Council deplored the continuing deterioration of the situation in the Occupied Territories,[1] the constant increase in the number of dead and wounded and the suffering of the population. It appealed urgently to the Israeli authorities to put an end to repressive measures, to implement UN Security Council resolutions 605, 607 (see p 15, 1988) and 608,[2] and to respect the provisions of the Geneva Convention on the Protection of Civilian Populations in Times of War (see p 15, 1988). They appealed in particular for the re-opening of educational facilities in the West Bank.

The Council welcomed recent Israeli proposals for elections in the Occupied Territories as a contribution to the peace process, provided that: the elections were 'set in the context of a process towards a comprehensive, just and lasting settlement of the conflict'; they took place in the Occupied Territories, including East Jerusalem, 'under adequate guarantees of freedom'; no solution was excluded, and the final negotiation took place on the basis of Security Council resolutions 242 and 338 (see p 15, 1988).

The Council launched a 'solemn appeal' to the parties concerned to seize the opportunity to achieve peace. 'Respect by each of the parties for the legitimate rights of the other should facilitate the normalising of relations between all the countries of the region.' The Council called on the Arab countries to establish normal relations with Israel and asked Israel in turn to recognise the right of the Palestinian people to exercise self-determination.

Declaration on China

The Council strongly condemned the brutal repression taking place in China (see pp 232-3) 'against those who legitimately claim their democratic rights', and expressed its dismay at the executions there in spite of the appeals of the international community.

In the present circumstances, the Council had thought it necessary to adopt the following measures: raising of the issue of human rights in the appropriate international fora; request for the admittance of independent observers to attend the trials and visit the prisons; interruption of military co-operation by member states and an embargo on the trade in arms with China; suspension of bilateral ministerial and high-level contacts; postponement of new co-operation projects; reduction of programmes of cultural, scientific and technical co-operation to 'only those activities that might maintain a meaning in the present circumstances'; and extension of visas to Chinese students in member states. The Council also advocated, in view of the climate of uncertainty the present policy of the Chinese authorities had created in the economic field, the postponement of new Chinese requests for credit insurance and the postponement of the examination of new World Bank credits to China.

[1]Unrest began in the Occupied Territories in December 1987 (see pp 14-15, 1988). According to the Israeli Government in February 1989, a total of 370 Palestinians had been killed since the uprising began, about 8,000 wounded and some 22,000 detained, with more than 10,000 still in detention or prison. In addition, a number of Palestinians have been deported (35 in 1988), homes have been demolished, curfews imposed, academic institutions and some charitable organisations closed, trade unions controlled and newspapers censored.

[2]Resolution 608, adopted on 14 January 1988, called on Israel to rescind deportation orders on Palestinian civilians and to ensure the return of those already deported.

Public Sector Management and Expenditure

Developments in management and expenditure in the public sector were discussed by the Chief Secretary to the Treasury, Mr John Major, in recent speeches in London. Two fundamental changes had been the move from volume to cash expenditure planning and the introduction of devolution in financial management. Substantial progress had been made in achieving improved value for money.

PUBLIC SERVICE MANAGEMENT

Delivering the first Audit Commission lecture on 21 June, Mr Major took as his theme the impact of general economic developments on public service management, examining the changes they made necessary in the public services, the opportunities they offered the providers of public services and the benefits they would give rise to for the wider community – both as taxpayers and as users.

An essential part of government policy had been to reduce the relative size of the public sector, to bring down borrowing and taxes and to reform markets including that for labour. The transformation these policies had brought about in the economy was 'the most important single achievement of the last ten years', leading to a period of sustained economic growth and competitiveness which had surpassed the achievements of Britain's major competitors.

In parallel, the developments within Britain's public services amounted to 'nothing less than a revolution in progress'. Two radical changes had been involved: the switch from volume to cash expenditure planning (see p 123, 1982) and the introduction of a strong element of devolution in financial management. Centralised and time-honoured procedures – often followed for their own sake – were being ended. In their place was being created an environment in which everyone had clearly delegated authority and responsibility. Ministers and senior managers concentrated on setting policy objectives, performance targets and the resources needed to meet them; the individuals who delivered the services used their ability and skills to tackle problems – from the bottom up and not the top down. The guiding principle was the need to devolve responsibility and make the most use of the ability and energy of individuals. That was the best way to job satisfaction and probably the only way to provide high standards of service in the public sector.

Privatisation

The most visible and, for some observers, the most controversial, of the Government's policies for the public sector was privatisation (see pp 236-7, 1988). It had been the most widely noticed policy and the most copied elsewhere – often by governments with quite different political philosophies from Britain's. By privatising utilities and nationalised industries the Government had returned 45 per cent of the public sector as it had been in 1979 to the disciplines of the market economy. Privatisation was not just an exercise in ideology: it was 'quite simply the best way to ensure that service to the customer naturally comes first'. Privatisation would continue as an essential part of policy. Privatisation of the electricity supply industry was scheduled (see pp 16-19) and other parts of the public sector would become candidates as they developed a more commercial approach. Market-testing (exposing to external competition) would also continue so that publicly managed services could benefit from competitive supply. It was clear, however, that large parts of the economy would remain under public management, some to be privatised at a later date and some not at all.

Public Services

Efficiently provided public services were an important part of the supply performance of the economy as a whole. The public was right to expect high quality services, delivered in an increasingly cost-effective way. And it was as important for the public sector to improve its cost performance and productivity as it was for the private sector to do so. The Government was determined to provide high quality services and also to maintain its objective of continuing to reduce the share of national income taken by the public sector.

There was now much greater emphasis than previously on defining and measuring results – outputs – wherever these could be monitored directly or in terms of consumer reactions. These were better indicators of effectiveness than the traditional measure of services simply by reference to the amount of money going into programmes. What mattered was not amounts of inputs or activities: 'what really counts is better health, safer and cleaner streets, better education for life and work and better training'.

The two crucial financial reforms – the change

from volume to cash expenditure planning and the introduction of devolution in financial management – had been the basis for this change of approach.

Under the old (volume) system of public expenditure planning, governments decided several years in advance to find the cash to finance given real levels of public services. It did not matter what happened to the general price level, gross domestic product or prices in individual services. 'Come what may, . . . the expectation remained that the Government would somehow find the cash. And they did so either by dipping ever deeper into the taxpayer's pocket or by ever increasing the public debt or both.' The effects of this system were 'pernicious'. It made the public sector a preferential creditor on the economy as a whole; it maintained real demand regardless of cost; and it meant that public expenditure came both to drive and be driven by the inflationary spiral. In addition, it undermined value for money and deprived the public sector and its management of the main and most natural incentive to improve efficiency and control costs. There was no point in trying to obtain cheaper prices if the Treasury would automatically provide unlimited funds.

The Financial Management Initiative in the Civil Service had had one major purpose: to place responsibility at the level where operations and activities were managed and delivered. This was true of decisions on spending and on costs. The units concerned and the people in them were to be accountable for the results, reflecting what was happening in many local authorities, where decision-making was being pushed downwards, with wholly beneficial consequences. The new approach marked 'a sea change'. Traditionally, the public services had been monolithic organisations with centralised management and financial and budgetary control. In consequence, responsibility for controlling costs and deciding priorities at the operating level tended to be divorced from management at the same level. As a result, those actually providing the services did not see themselves as being responsible for expenditure or value for money. They were neither expected nor able to use their skills and imagination to improve the quality and quantity of the services they provided.

These two fundamental reforms were still working into the fabric of the main public services. Even so, the Government was taking them further, to build the management of public services upwards from the perspective of the people providing them rather than downwards from the perspective at the top. The Chief Secretary illustrated this with reference to the proposals for the development of the Next Steps Initiative in the Civil Service (see p 94, 1988), to the National Health Service (NHS) and to changes in local government.

The Civil Service

In the case of the Civil Service, the key decision under the Next Steps Initiative was that, as far as possible, the executive functions of government, as distinct from policy advice, should be carried out by agencies. Early legislation would be introduced to extend the range of financial mechanisms available to agencies. Seven agencies had already been established and work was progressing on another 30 candidates; others would follow.

Mr Major said that agencies would be given clearer roles towards their departments and customers, clearer and more demanding performance targets and an increased sense of corporate identity. They would also be given the managerial freedom and incentives necessary to deliver the improved performance that was the basis of the Financial Management Initiative. The results the Government hoped for were improved services for the same or lower cost to taxpayers or users and a more dynamic and fulfilling working life for staff.

The National Health Service

The general approach with regard to the NHS was similar. Since resources could never be infinite, control of costs would inevitably influence the provision of services. The idea was to encourage the people who provided clinical services to make their own decisions on priorities and, within the resources available, to achieve the greatest possible cost-effectiveness – as many already did – and to let resources follow patients' preferences. The proposals in the White Paper *Working for Patients* (see pp 70-4) for contract funding and budgets were designed to reinforce this objective.

Local Government

There was also a management revolution in progress in local government. The legislation requiring local authorities to put a range of services out to competitive tender was already having major consequences for the ways in which councils managed their business. The change would, in the Chief Secretary's view, strengthen local government because it would ensure that the top priority for a council was serving the needs of its voters and those who paid rates or the community charge. In future, the prime task for local authorities would be to define the service standards they wanted and to ensure that they were met.

Structural Flexibility

The ability and the opportunity to provide better service was a key incentive; pay was another. Traditionally, pay structures in the public services had been subject to heavy central control and were largely uniform. In both the Civil Service and the NHS steps had been taken to make these structures much more flexible. The purpose of such flexibility was to enable employers to match remuneration more closely to market need and to provide personal incentives to achieve the best service that people were capable of. There had been developments in delegation from the Treasury to other departments which, Mr Major hoped, would be matched by further delegation from departments to unit managers and agencies. However, he pointed out that the Treasury had necessarily to retain central responsibility for trends in public service costs including pay.

PUBLIC EXPENDITURE

Addressing The Adam Smith Institute on 27 June, Mr Major said that governments should start from the presumption of being against intervening to hamper or replace free markets: indeed, they should look for ways of extending the market sector.

The Government was seeking to do this by reducing the relative size of the public sector and by using market mechanisms within the public sector as far as possible.

Restraint in Public Spending

Controlling public spending and reducing its share of national income was vital to economic policy. Britain's structural budget deficit had been eliminated and there was now the continuing prospect of a balanced budget. But public expenditure restraint had to be maintained in order to produce a sustained reduction in the burden that taxes imposed on wealth creation. The Government had achieved considerable success in checking the upward trend in public spending: its proportion of national income was now at its lowest since the 1960s.

The Government's approach had consisted of four elements: pressure on total spending; within totals, a rigorous assessment of priorities; seeking efficiency and value for money; and, wherever possible, opening public services to competitive pressures through market-oriented policies.

Resource Allocation

The virtual absence of a price mechanism in the public sector meant that decisions on resource allocation had to be taken centrally. With no objective system for weighing the demands of different public services, there was no escaping political responsibility. The Government's commitment to market-oriented policies had influenced the distribution of public spending 'quite dramatically'. Subsidies to industry and housing had fallen while spending on health and law and order had increased substantially. The Government had obtained reform of the European Community's Common Agricultural Policy (see pp 99-100, 1988) and had made major changes to the State Earnings-related Pension Scheme (see p 72, 1986). In recent years there had been a marked fall in spending on unemployment benefits and corresponding increases in benefits for the elderly and disabled.

This switch in resources reflected a combination of economic growth, privatisation and political choice in response to public concern. There was no doubt that pressure for increases in spending on priority areas would continue and intensify. Meeting them, the Chief Secretary explained, meant not only avoiding wasteful and ineffective programmes but also spreading out the timing of some desirable spending so that more resources could be provided for priorities at a pace that the economy was capable of sustaining.

Value for Money

Positive policy choice in resource allocation largely depended on improved efficiency and value for money. This was 'a continuing crusade' with considerable rewards. Eliminating waste and providing services at lower cost released resources to improve services or meet priority needs.

Substantial savings had been made. In the Civil Service, for example, efficiency scrutinies and other management improvements had already led to annual savings of £1,250 million, including £250 million in the previous year from improved purchasing alone. In local government, authorities were estimated to have already implemented more than £300 million of £900 million annual value-for-money improvements identified by the Audit Commission. In the NHS, cost improvement programmes were expected to yield cumulative savings in the current year of almost £900 million.

The Budget Surplus

Mr Major rejected the view that expenditure levels did not matter very much if there was a large budget surplus to finance them. 'Such thinking is seductive but it is unacceptable for any government that regards control of inflation as paramount.' He explained that a budget surplus was right for existing circumstances. It was true that the Government had been more successful in containing public spending than it had been in reducing the burden of taxation. 'But that does not create a presumption in favour of higher spending, rather one of lower taxes, when it is safe to do so. But so long as inflationary pressures remain strong, we must be cautious.'

Better infrastructure and better services were important but they had to be tackled sensibly. In any case, existing public spending plans incorporated substantial increases for priority programmes – on roads, the railways, welfare services and the NHS, for example. In assessing demands for extra capital spending in particular it was necessary to examine not only the increases built into the plans but also the capacity of the supplying industries. There was no point in over-ambitious or unrealistic public spending plans. There was no sense in planning increases on a scale that would not only bid up prices and earnings and add to inflationary pressures but also fail to provide extra roads or extra hospitals on time. 'That only wastes money and risks squeezing out private investment, which is rising strongly, reflecting business confidence in the Government's performance and policies', the Chief Secretary warned. Ultimately, the scope for increasing public spending depended only on growth in the economy. It was possible for an economy to grow its way into spending but it could not spend its way into growth. 'Steady growth led by a strong supply performance is the precondition of public spending. To achieve that growth we must continue to hold down taxes and borrowing. Non-inflationary growth enlarges social possibilities', he concluded.

Food Safety

The Government has announced that food irradiation is to be allowed in Britain, subject to strict controls and the clear labelling of all goods treated. Legislation is planned to introduce a licensing system.

The Government has also banned certain cattle offal from human consumption and has decided that the consumption of untreated milk should be permitted to continue subject to new testing and labelling requirements.

Food Irradiation

Speaking in the House of Commons on 21 June (*Hansard*, Vol 155, No 126, cols 351-9), the Minister

of Agriculture, Fisheries and Food, Mr John MacGregor, said that the report of a working party[1] had found that irradiation had a useful contribution to make to the reduction of food-borne disease in certain products. It would be wrong, he continued, to deprive consumers of the freedom to choose irradiated food.

Background

Mr MacGregor noted that the first patent on food irradiation had been taken out in 1921, that considerable research had been carried out for over 40 years, and that irradiation had been more closely scrutinised worldwide than any other food process. The principal international agencies, such as the World Health Organisation (WHO) and the Food and Agriculture Organisation, and bodies such as the European Community's Scientific Committee for Food had concluded that irradiation of food up to an overall average dose of 10 kilogray was safe. This had been endorsed in Britain by the Committee on Irradiated and Novel Foods in 1986,[2] and in 1987 it had confirmed its conclusions that irradiation provided an effective and efficient food preservation treatment which would result in safe and wholesome food. 'The process has been cleared through the most comprehensive set of evaluations,' Mr MacGregor said. 'No qualifications have been expressed. . . . No areas of safety remain outstanding.' It was permitted in 35 countries and in 21 of them it was already in operation.

Advantages of Irradiation

The Minister cited the WHO opinion that, by killing or greatly reducing the number of micro-organisms naturally present in food, the process could contribute to the reduction of some food-borne diseases, for example, salmonella (see pp 25-6 and 119) and listeriosis.[3] It was not suitable for all foodstuffs, but could be used as a treatment for poultrymeat and for some shellfish. Irradiation of herbs and spices could destroy insects and bacterial contamination, in place of chemical fumigation methods, about which there were concerns on health grounds.

Control Mechanism

It had been concluded, Mr MacGregor said, that a licensing system under government (rather than local authority) control would result in closer and more specialised supervision, and would permit more precise conditions. The Government therefore intended to delay the introduction of food irradiation until it could obtain more extensive powers in a new Food Bill. It proposed that a licence should entail the regular inspection of records; full documentation for each treated consignment; and local authority controls over premises at which treatment would be carried out. Arrangements would be made to ensure that imports would be subject to the same controls and standards applying in Britain. Clear labelling of all irradiated food and listed ingredients would be insisted upon. The European Community had issued a document on food irradiation, which, if adopted, would result in action on a Community basis.

Although a detection test to confirm the use of irradiation could be a useful supplement to a control system based on licensing and documentation, Mr MacGregor said, it was not necessary for the satisfactory operation of controls. He also emphasised that irradiation could not make bad food good. 'It cannot improve appearance. It cannot disguise taste. It cannot mask unpleasant odours.' Food would be examined before treatment. That which did not meet normal acceptable standards would not be irradiated, and it would remain an offence to sell or offer for sale unfit food, whether irradiated or not.

In the House of Commons on 28 June (*Hansard*, Vol 155, No 131, written answers, col 464) Mr MacGregor announced that the European Council had agreed to provide for specific labelling of foodstuffs that had been irradiated. This requirement, which would cover both wholesale and retail sales, would be incorporated into legislation in Britain in due course.

Cattle Offal Ban

In a statement in the House of Commons on 13 June (*Hansard*, Vol 154, No 121, written answers, col 352), Mr MacGregor said that the Government had acted on all the recommendations made by the working party on bovine spongiform encephalopathy (BSE; see p 119). As a precautionary measure it had therefore decided that cattle suspected of having BSE should be slaughtered and destroyed. As an added safeguard the working party had also suggested that certain offals should not be used in the manufacture of baby foods. The Government had established in February that these offals were not currently used by baby food manufacturers, but would bring forward regulations to ensure that there would be no possibility of their use in the future. He had also decided that the relevant types of offal from all cattle should be rejected at slaughterhouses and disposed of as unfit meat.

Untreated Milk

In another statement in the House of Commons on 13 June (*Hansard*, Vol 154, No 121, written answers, col 353) Mr MacGregor said that, after consultations, the Government had concluded that consumers should be allowed to decide for themselves whether to drink untreated milk. However, this could lead to health risks which it was anxious to minimise. It therefore proposed that in future:

1 untreated milk should be more fully labelled, to advise the consumer that it had not been heat-treated and might contain harmful organisms;

2 it should be subject to tests, which would be reflected in higher charges for producers; and

3 in cases where untreated milk constituted a threat to health, the procedure for the issue of heat treatment orders would be simplified.

[1] *Report of the Working Party of Officials of the Agriculture and Health Departments on a Control Framework for the Introduction of Food Irradiation in the United Kingdom.* Available free from Food Safety Division Branch C, Ministry of Agriculture, Fisheries and Food, Ergon House, 17 Smith Square, London SW1P 3HX.

[2] *The Report on the Safety and Wholesomeness of Irradiated Foods.* Advisory Committee on Irradiated and Novel Foods. HMSO, £4·50. ISBN 0 11 321059 0.

[3] A disease caused by infection with the listeria monocytogenes organism, which is widely distributed in the environment and in some food products. In February the Chief Medical Officer at the Department of Health advised the public on simple precautions which could be taken to minimise the already small risk of infection.

Telecommunications

Recent developments in telecommunications have included further measures for the liberalisation and simplification of licensing, and the issue of invitations for applications to operate the new mobile personal telephones, which would compete with cellular radio.

Licensing

The Government's measures to liberalise and simplify the licensing of telecommunications were announced by the Secretary of State for Trade and Industry, Lord Young, in the House of Lords on 15 June (*Hansard* [*HL*], Vol 508, No 102, cols 1632-4). Under the Telecommunications Act 1984 every operator of a telecommunications system in Britain must have a licence. Most systems are operated under the branch systems general licence, while many companies also provide telecommunications services under the value added and data services licence; these are to be replaced by a single licence.

Lord Young said that he had decided to accept the recommendations of the Director General of Telecommunications on the provision of telecommunications services using the networks of, or circuits provided by, the fixed-link public telecommunications operators: British Telecom, Mercury Communications Ltd and Kingston Communications plc [which operates in Hull]. The most important change concerned the use made by companies of private circuits leased from a public telecommunications operator. Companies had not been able to resell capacity or to share it with others; the operating licences of the public telecommunications operators had prohibited the use of leased lines to provide simple resale – the routing of a call from the public network over a leased line and back onto the public network. This had been intended to allow the 'rebalancing' of leased line and network charges; the price of private circuits leased from British Telecom had been below cost, providing significant opportunities for the use of leased lines to bypass the public network to the detriment of the ordinary user. The rebalancing had now largely taken place and there was no longer any need to prevent companies making use of leased lines either for voice or data services. He therefore intended to issue a licence permitting simple resale of British domestic private circuits as well as other forms of resale, bypass and shared use. However, international tariffs were still out of line with costs and the new licence would be drafted so as to allow the Government to liberalise international private circuits on an individual basis as opportunities arose.

Lord Young said that the arrangements in administering the fair trading rules in the value added and data services licence would be simplified and more clearly targeted on companies likely to abuse a dominant position. Large telecommunications services providers would continue to be covered by rules such as those against cross-subsidisation or showing undue preference or discrimination. However, rules which imposed heavy cost and which might deter operators because of the difficulty of compliance would be removed. On the other hand, rules of value to users, such as those on privacy and confidentiality, would be applied to all operators rather than just the largest.

A number of other changes were also envisaged. For example, there would be provision to alleviate the nuisance to users arising from persistent unsolicited attempts to sell products and services. Sellers by telephone or fax would be required to stop making direct sales calls to any user of a telecommunications system when that user had given a written instruction to this effect.

Lord Young said that these changes, which would 'add greatly to the freedom and the flexibility of telecommunications operators' in Britain would be implemented through a new branch systems general licence in July. This would replace the existing licence and the value added and data services licence.

Mobile Communications

Arrangements for the licensing of at least two new operators to provide mobile communications networks in the frequency range of 1·7 to 2·3 gigahertz were announced by Lord Young in the House of Lords on 22 June (*Hansard* [*HL*], Vol 509, No 107, cols 409-11). Lord Young said that he had considered carefully responses to the discussion document issued in January 1989 (see p 66). The Director General of Telecommunications had advised that the capacity of Mercury Communications Ltd to provide the full range of telecommunications services in competition with British Telecom was limited by the lack of a mobile radio network to compete with Cellnet (one of the two national cellular radio operators), in which British Telecom had a majority stake. He had accepted the Director General's advice that a consortium led by Mercury or by its parent company, Cable and Wireless plc, should be a prospective operator and in due course be offered one of the licences.

Lord Young said that, on the advice of the Director General, he intended to identify one, or possibly two, other prospective operators by the end of 1989, and applications were being invited by 14 September. Applications could be made by any company except the two national cellular radio operators – Cellnet and Racal Vodafone – and their associates and main shareholders, as the new networks were intended to compete with the existing cellular radio operations. They would not be allowed to participate in the new system's development, but he would keep under review their need for additional frequencies in the light of progress made on the pan-European cellular network (in which they were the British participants) and of the development of competition in Britain.

The Secretary of State said that he had also considered the choice of personal communications networks technology which would govern the appropriate technical standards. The two technologies which had emerged from the consultation period had been those being developed for the pan-European digital cellular radio system (see p 216, 1987)[1] and the digital European cordless telephone. The selected common standard would be announced when the choice of operator was made and would take account of developments in Europe.

[1]For further information on cellular radio and the pan-European system, see COI reference paper *Telecommunications Services in Britain*, No 182/88.

Lord Young said that he had considered the major cost of linking the small radio cells needed to provide a personal communications network. To aid the planning of these networks for the 1990s, the operators would be able to provide their own radio-based network infrastructure between individual radio cells. However, the links to the public switched networks would still be provided by British Telecom or Mercury, pending the outcome of the review of their duopoly in November 1990.

He did not think that the initiative would affect the prospects of the four Telepoint operators announced in January (see p 66). The new personal communications networks would offer two-way call initiation and were intended to compete with cellular radio, with its relatively expensive and sophisticated technology, and would not begin operating before 1992. Telepoint was a lower-cost, one-way operation which was expected to be introduced before the end of 1989.

Government Science Policy

Addressing the Academia Europaea[1] in London on 26 June, the Secretary of State for Education and Science, Mr Kenneth Baker, outlined the Government's policies for the support of science and reaffirmed its commitment to basic and strategic research.

Science and the State

Mr Baker took as his theme the relation of the state to science, and of the science policies of government. Science, he said, was an autonomous intellectual activity undertaken by independent scientists. Their desire to share their problems and findings had led to the foundation of the national academies. The academies had flourished and had played a very important part in the development of science.

At the same time, the historical trend had been towards an increasingly close involvement of the state with science and of science with the state. The work and theories of scientists had become a major factor, perhaps the major factor, in determining economic progress and sustaining international security. 'All civilised governments', Mr Baker said, 'feel a responsibility to support the disinterested pursuit of knowledge for its own sake. At the same time, we all see great material benefits to be realised from the support of science.' In the light of their different historical experiences each country had evolved its own distinctive ways of managing the complex relations between science and the state.

There were problems which were common to all. Science was advancing on an ever increasing number of fronts, and the cost of each new advance was growing. The proportion of national resources committed to science had to be decided. The objectives of that expenditure had to be determined in a way that did not inhibit the creativity of the individual scientist. The right balance had to be achieved between public and private expenditure on research and development (R&D), with the establishment of strong links between the two sectors. Each country had to strike a balance between domestic work and international collaborative activity. And taxpayers had to see that they were getting value for money.

Overall Spending Policies

In Britain, Mr Baker continued, instead of a central science ministry there was a dispersed system. Individual departments worked out their research budgets with the Treasury in accordance with the Government's general strategy for civil research. A high level body, the Advisory Council on Science and Technology (ACOST – see p 267, 1987), advised the Prime Minister directly. And, for the first time, there was collective ministerial consideration, under the Prime Minister's leadership, of national science and technology priorities.

The new machinery had brought ministers together to clarify the purposes of research support from public funds. The conclusion had been that it was not right for the Government to support research whose primary objective was the development of a specific product or process for commercial sale or use. Industry could judge the requirements of the market better than the Government and such 'near-market' research should be its own responsibility.

The Government's prime responsibility was for basic and strategic research, which underpinned a whole range of the nation's needs, environmental, social and cultural as well as economic. The Department of Education and Science discharged its responsibilities in this area by funding research in universities, polytechnics and research council laboratories. This was the country's science base. From 1989-90 the annual funding of the research councils had been raised by about £100 million (see p 375, 1988), an increase in real terms of some 10 per cent. The Government's total spending on civil R&D would now be some £2,600 million in 1989-90 with the science base accounting for about £1,500 million of the total.

The purposes of the science base expenditure were to advance knowledge, to improve technological capability and to produce qualified manpower. On the last of these, the supply of highly qualified scientists and technologists had to be improved. The Government's responsibility began in schools, where science and technology were foundation subjects in the new national curriculum (see p 426, 1987). 'To advance knowledge and technological capability,' Mr Baker went on, 'we want a world-class, creative and inventive science base.' The Government also wanted to shift the balance of research activity towards more exploitable and applicable areas.

Structure of Government Research Support

Mr Baker stressed the merits of the dual support system by which university research was publicly funded. It combined freedom of inquiry for the researcher with targeted funding to support promising ideas. Out of the general funds they

[1]The Academia Europaea is an academy of European scholars founded in 1988.

received from the Government, universities paid the scientists and provided the basic infrastructure of laboratories and equipment. Then when speculative research began to bear fruit and needed extra support to be taken further, the best was given additional funding by the research councils.

The system gave the universities continuity of support and enabled researchers to concentrate on research instead of on fund-raising. The Government believed, therefore, that the principle of the dual support system should continue, with some changes in practice.

At present, neither the Universities Funding Council (UFC – see p 427, 1987) nor individual universities specifically distinguished research spending within their total spending. That was unsatisfactory, Mr Baker said. If they could not distinguish their separate costs they could not allocate their resources efficiently and effectively, nor could they account for the use to which they put public money. Following a government request, the UFC had decided that from the start of the 1990-91 academic year it would identify research funding separately, at the national level and in each university's block grant.

The other change related to the boundary which determined who paid for what when a research council supported a university research project. In future, research councils would be responsible for all the costs of the projects they sponsored, except the costs of academic salaries and premises. As a consequence there would be a modest transfer of funds from the UFC to the research councils, though no change in the amount flowing to universities through the two channels together.

Research Priorities

Returning to the question of exploitability, Mr Baker argued that scientists were keen for their work to yield results of value to society. 'Scientists want to be first *and* they want to be useful.' For some work, such as that in particle physics, the possible exploitation was too far ahead to be sensibly anticipated. But there were other areas of basic and strategic research whose potential exploitability was apparent. It made sense that in the choice of priorities some emphasis should be given to areas where a return to society seemed more likely. Mr Baker stressed that exploitability here did not mean the same as near-market research, for which responsibility remained with industry.

Mr Baker warned that no nation was rich enough to pursue all scientific opportunities. To get the best out of its investment the Government needed to be selective and to concentrate its resources. Money would then be spent more effectively and the best scientists would be provided with the facilities they deserved.

There had recently been a proposal that the necessary concentration should be brought about through the differentiation of higher education institutions (see p 277, 1987). The Government did not intend to impose the sort of sharp categories that had been proposed, but universities did need to be encouraged to concentrate their research strengths. The UFC was funding universities for research ever more selectively on the basis of their ratings for research performance. Resources were being channelled to where the best and most needed work was being done, instead of being spread evenly in line with student numbers. By this means, some universities might, in time, become predominantly teaching universities which, Mr Baker pointed out, was entirely acceptable.

Research priorities were decided with the help of the scientific community. The Department of Education and Science, advised by the Advisory Board for the Research Councils (ABRC) and the UFC allocated resources among the five research councils and 45 universities; the expert boards and committees of the research councils and universities allocated resources through a system of peer review; and the individual scientist had access to his or her own budget.

The system brought a wide range of expertise and experience to bear on scientific issues. But, Mr Baker suggested, it generated too much form-filling and too many committee meetings. Furthermore, while peer review was fine, establishment consensus was not; and time on expensive facilities might not be giving best value for money when rationed by peer review rather than price. He would be asking the ABRC to consider these questions.

Research Councils

In 1987 the ABRC had produced *A Strategy for the Science Base* (see p 277, 1987). One of its recommendations had been that the Government should fund a number of interdisciplinary research centres (IRCs) in frontier areas of science. Wide support for this proposal had been coupled with a proper concern to sustain the responsive mode of research, where the applicant for funds proposed the line of inquiry to be pursued. About £180 million would be spent by the research councils in 1989-90 on responsive research grants, alongside the bulk of the money which was channelled through the UFC in support of curiosity-driven research.

A total of 17 IRCs had now been established or approved,[1] all of which had been suggested by the scientific community. Some £20 million would be spent on them in 1989-90. The Government was watching their development closely to ensure that new initiatives met scientific needs, not bureaucratic convenience.

An ABRC investigation of boundary problems in the biological sciences had recommended that the five research councils should be amalgamated. Mr Baker retained an open mind in the meantime and waited for the advice of the ABRC which would be submitted in July.

R&D Investment by Industry

Mr Baker went on to say that government expenditure in Britain on civil R&D, at about 0·6 per cent of gross domestic product (GDP), was similar to that in other countries – more than in the United States, about the same as in Japan, but less than in France and the Federal Republic of Germany. However, British industry's expenditure on R&D – about 1 per cent of GDP – put Britain towards the bottom of the table. During the past ten years the economic climate had changed for the better in Britain, and industry must

[1]These are in a wide variety of areas, including high-temperature superconductivity and aspects of information technology, biotechnology, advanced materials and medicine at the molecular level.

now plough back more of its profits into R&D. 'Part of the problem', Mr Baker said, 'is that – with honourable exceptions – much of industry has been used to looking to the taxpayer to foot the bill for its own technological innovations.'

There should be strong links between industry and the science base. The Government had tried to help by encouraging universities to seek additional private funds, while making it clear that public funding would not be reduced to offset their success; by placing intellectual property rights with institutions so that they could exploit their discoveries and retain the proceeds; and by setting up the LINK scheme to provide a framework for collaboration (see p 29, 1987).

International Collaboration

Mr Baker emphasised the growing importance of the international dimension in research, particularly in relation to the environment. Ozone depletion[1] and global warming were environmental problems requiring international collaboration on a large scale (see pp 240-1). Starting in 1989-90, Britain was committed to spending an extra £71 million over three years on environmental research. Much of this would go on international projects: work on ozone concentrations; the Biogeochemical Ocean Flux Study into the oceans' absorption of carbon dioxide; the World Circulation Experiment on the role of the ocean in modifying the earth's climate; global atmospheric modelling to improve understanding of the processes which contribute to climatic change; and the analysis of data from the European Remote Sensing Satellite on such things as ocean wave heights, surface temperatures and surface winds.

In addition, British scientists were involved in a wide range of research within the European Community Framework Programme (see p 382, 1987). This would produce the best results if it concentrated on work for which it was best suited, leaving individual countries to do what they did best.

It was owed to taxpayers, Mr Baker went on, to be given a proper return for their money. And instead of being blinded by science they needed to understand how it contributed to a better life and future, particularly now that the realisation had dawned that nations' collective actions had been sufficient to shift the balance of the planet. The scientific community had the responsibility of extending knowledge to the point where it became clear what action had to be taken. One thing was clear already, that the action would have to be collective because the problems went beyond individual states and beyond single continents.

BACKGROUND

Science and technology policy is decided by collective ministerial consideration under the leadership of the Prime Minister. The Government is advised by the Chief Scientific Adviser, Cabinet Office, and by ACOST, which absorbed the former Advisory Council for Applied Research and Development. The remit of ACOST covers defence as well as civil research and both academic science and industrial research and development. ACOST is composed of industrialists and scientists covering all areas of science and technology and selected for their personal eminence in their field, who are appointed by the Prime Minister. In addition, there are two *ex officio* members, the chairmen of the ABRC and of the UFC. ACOST advises on national priorities in science and technology, on the application of the results of scientific research, on the co-ordination of government policy for science and technology and on Britain's participation in international projects.

Responsibility for basic civil science rests with the Secretary of State for Education and Science, who is advised by the ABRC; that for technology rests mainly with the Secretary of State for Trade and Industry. Other departments have a departmental advisory body; these bodies work closely with ACOST. A committee of departmental chief scientists, under the chairman of the Chief Scientific Adviser, is responsible for co-ordination among departments. A Science and Technology Assessment Office, responsible to the Chief Scientific Adviser, evaluates the impact of government-funded research on the efficiency and competitiveness of the economy.

[1]For further information, see COI reference papers *Saving the Ozone Layer: London Conference*, No 321/89; and *Saving the Ozone Layer: Conclusions of the London Conference*, No 327/89.

Antarctic Research

The Natural Environment Research Council has published a document which describes the structure and importance of Antarctic research, and outlines the Council's strategy for the next ten or more years.

The document, *Antarctica 2000*,[1] sets Antarctic research in the context of the continent's size. Antarctica is considerably larger than Europe and, together with its associated ocean, covers almost 30 per cent of the earth's surface. As a heat sink it is fundamental in driving the global atmospheric regime.

The framework for research in Antarctica originated with the Antarctic Treaty, which was ratified in 1961.[2] It was a mechanism for placing conflicting territorial claims on one side and recognising scientific endeavour as the crucial means of maintaining a legitimate and substantial national presence in the region. *Antarctica 2000* emphasises that research activity will be a key requirement of

[1]*Antarctica 2000*. Available free from Natural Environment Research Council, Polaris House, North Star Avenue, Swindon SN2 1EU. ISBN 0 85665 135 4.

[2]The original signatories of the Treaty were Argentina, Australia, Belgium, Britain, Chile, France, Japan, New Zealand, Norway, South Africa, the Soviet Union and the United States. The Treaty is intended to ensure peaceful use of the Antarctic and the free development of scientific co-operation. It prohibits in the Antarctic all nuclear explosions, the disposal of radioactive waste material, and military activities. The Treaty provides that no acts taking place in the Treaty area while it remains in force should constitute a basis for asserting, supporting or denying a claim to territorial sovereignty, and provides for mutual inspection of scientific operations.

Britain's continued membership of the Antarctic Treaty System.[1]

National programmes are formulated and co-ordinated through the Scientific Committee on Antarctic Research, established in 1958 by the International Council of Scientific Unions. Countries active in Antarctic research now represent over 70 per cent of the world's population.

Almost all British research is carried out by the Natural Environment Research Council (NERC), principally through the British Antarctic Survey (BAS – see p 438, 1988). The NERC's research strategy for the next decade focuses on a number of themes which cover the evolution of the physical environment, including atmospheric and climatic history as revealed by the analysis of ice cores and further investigation of the ozone layer; the geological evolution of west Antarctica; the terrestrial, freshwater and marine ecosystems; and the physics of interactions in the magnetosphere and ionosphere (see p 322, 1988).

The document highlights various aspects of the research programme. Increasing levels of carbon dioxide and other 'greenhouse' gases are expected to raise the global atmospheric temperature significantly by the year 2050, and the polar regions are likely to show the greatest change. It is planned to monitor and model changes in the ice sheet to predict future climates and ocean levels, as well as to assess the importance of biological uptake of man-made carbon dioxide in the Southern Ocean. Antarctica plays a key role in global climate modelling and future research will develop understanding of specific atmospheric processes and increase the available data by deploying automatic weather stations.

Following the BAS discovery of the springtime ozone hole in 1984,[2] further studies will document the history of ozone destruction from analysis of snow, and elucidate the details of stratospheric chemistry using new microwave sensors. The Antarctic is a uniquely favourable site from which to study the magnetosphere, and as part of its wider research the BAS will develop a system for forecasting the magnetic storms which disrupt radio communications.

The geology of Antarctica is fundamental to understanding how the continents of the southern hemisphere formed from the super-continent Gondwana. The BAS will focus on this and also provide a scientific assessment of the region's mineral and hydrocarbon potential.

As the last great wilderness on earth, Antarctica is highly sensitive to both natural and man-made changes. The BAS will lead the development of long-term monitoring of Antarctic ecosystems to assess global pollution, determine the impact of tourism and scientific research, and provide effective advice for the development of international conservation policies. Exploitation of marine living resources began with whales and seals but is now concerned with fish, squid and krill (tiny crustaceans eaten by whales). Management and regulation of these fisheries by international treaty rely on stock assessments which depend on detailed understanding of the ecosystem, a major objective of BAS research.

[1]The Antarctic Treaty System comprises the original Antarctic Treaty together with the subsequent Agreed Measures for the Conservation of Antarctic Fauna and Flora (1964), the Conservation of Antarctic Seals (1972) and the Convention on the Conservation of Antarctic Marine Living Resources (1980). A Convention on the Regulation of Antarctic Mineral Resource Activities remains to be ratified.

[2]For further information, see COI reference papers *Saving the Ozone Layer: London Conference,* No 321/89; and *Saving the Ozone Layer: Conclusions of the London Conference,* No 327/89.

The Environment: International Measures

Agreement has been reached at the European Community Environment Council to impose stringent standards for exhaust emissions from small cars. A resolution supporting wider international efforts on climate change was adopted, and proposals to assist the conservation of seal pups and the African elephant were strongly supported. Measures to assist in the conservation of whales have been agreed at a meeting of the International Whaling Commission.

Vehicle Emissions

In a statement in the House of Commons on 13 June (*Hansard,* Vol 154, No 121, written answers, cols 363-4), Mrs Virginia Bottomley, Parliamentary Under-Secretary of State for the Environment, reported that the Environment Council, at its meeting in Luxembourg on 8-9 June, had agreed a directive on the second stage of exhaust emission standards for small cars (see p 322, 1988). The agreement contained strict standards which, under present technology, would require the introduction of three-way catalysts for new models on 1 July 1992 and for all new registrations on 31 December 1992.

Mrs Bottomley said that the challenge these targets presented to industry should not be underestimated, but the Government believed them to be attainable. Nevertheless, they would not control all the emissions from cars that caused concern. On Britain's insistence, the European Commission had undertaken to introduce proposals to reduce these, notably emissions of carbon dioxide, the most important greenhouse gas. (The Government considers that three-way catalysts, while reducing emissions of carbon monoxide, hydrocarbons and nitrogen oxides, can in some cases increase emissions of carbon dioxide; it favours the development of lean-burn engine technology[1] to help reduce carbon dioxide emissions.)

In the House of Commons on 28 June (*Hansard,* Vol 155, No 131, cols 963-4), Mrs Bottomley said that Britain now had the second highest duty differential in favour of unleaded petrol in the European Community. The market share of unleaded petrol had risen from 6·4 per cent in March 1989 to nearly 20

[1]Lean-burn engine technology reduces the production of hydrocarbons, carbon monoxide and nitrogen oxides by improving combustion, allowing engines to burn fuel more efficiently and so to consume less fuel and produce less carbon dioxide. Catalytic converters eliminate emissions, after combustion, in the exhaust network.

per cent, following the strengthening of the duty differential in favour of unleaded petrol in the Budget (see pp 134 and 140). A differential was first introduced in the Budget of 1988 (see p 138, 1988).

Climate Change

In her statement on 13 June, Mrs Bottomley said that the Environment Council had adopted a resolution recognising the importance of the greenhouse effect and emphasising that the Community and all member states should make a full contribution to wider international efforts to improve the understanding of climate change and to develop policy responses, (for Britain's policy, see pp 240-1).

Seal Pup Skins

Mrs Bottomley said that in 1985, when a European Community directive banning the import of harp and hooded seal pup skins and their products into the Community had been extended for four years, Britain had urged that there should be an indefinite ban. The Council had now unanimously agreed that the directive should be extended indefinitely; this would be a significant step towards ensuring the conservation of these species. (In October 1988 the Government announced additional conservation measures to give protection to the seal population in Britain – see pp 351 and 383, 1988.)

African Elephants

The Minister reported that the Council had strongly supported a British proposal to impose an immediate ban on the import into the Community of raw and worked ivory, and that the Commission would now bring forward proposals to impose a ban throughout the Community. Member states had been invited to take action in advance, and the Government had immediately imposed a ban on imports of ivory into Britain.

Member states had also supported Britain's view that there was now a case for transferring the listing of the African elephant from Appendix II to Appendix I of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), although they recognised the need to listen to arguments from all sides on the best long-term measures to protect this species. (Under the Convention, which came into force in 1975, limited trade in African ivory is allowed at present; transferring the African elephant to a listing in Appendix I would have the effect of prohibiting all trade in new ivory worldwide. There has been a serious decline in the African elephant population, according to a number of different studies, from an estimated 1·3 million in 1979 to 750,000 or fewer in less than ten years. The next conference of the parties to CITES, to be held in October 1989, will consider whether this species should be transferred to Appendix I.)

Whales

At a meeting of the International Whaling Commission in San Diego, United States, on 12-16 June, resolutions, jointly sponsored by Britain, were adopted, calling upon Japan, Iceland and Norway to reconsider the continuation of their research programmes which involve the killing of whales. It was agreed to maintain the ban on commercial whaling that has been in operation since 1986, and to continue until October 1992 with the Indian Ocean Sanctuary, an area where no whaling is allowed to take place, originally introduced in 1979 for a period of ten years.

Shorter Notes

ESTATE AGENTS

The Parliamentary Under-Secretary of State for Industry and Consumer Affairs, Mr Eric Forth, told the House of Commons on 21 June that new measures would be introduced to provide guidance for estate agents, so that the services they provided could be significantly improved. Following a review of estate agents' practices conducted over the past year, Mr Forth said that he had decided that the best way to secure an improvement in the services offered was through a combination of self-regulation and statutory provision.

The Director General of Fair Trading was being asked to draw up a code of practice with the industry which would improve consumer protection and enhance standards. The code would need to include a procedure for the settlement of disputes and a system for monitoring compliance with its terms. The Director General had also been asked to review the arguments for extending the Trade Descriptions Act 1968 (see pp 1059-60, 1968) to include misdescriptions of property.

When the Director General has made his report, due in the first few months of 1990, a new order under the Estate Agents Act 1979 (see p 120, 1979) will be introduced which will define certain practices as 'undesirable'. These will include tie-in sales, where the agent refuses to pass on bids unless the prospective purchaser has agreed to arrange finance or insurance with the agent; bidding up prices; misleading advertising; and unfair or misleading contract terms. Agents found to be engaged in such practices could be prohibited by the Director General from doing estate agency work.

Source: *Hansard,* Vol 155, No 126, written answers, cols 176-7.

COUNCIL OF MORTGAGE LENDERS

A new central trade body for mortgage lending institutions, the Council of Mortgage Lenders, is to be established in August. It is being promoted by four trade bodies: the Association of Mortgage Lenders, the Association of British Insurers, the Building Societies Association (BSA) and the Finance Houses Association, all of which have members that undertake mortgage business.

The Council is being established as a result of recent changes in the mortgage market where, in addition to building societies, there is now a wide variety of lenders. Building societies will be members of the Council automatically, and membership will be available to any member of the four trade

bodies and to any authorised bank. There is provision for organisations which are not mortgage lenders but which have an interest in the mortgage market to be associates.

Hitherto, the BSA has, in many respects, been seen as the representative body for all mortgage lending institutions. It is now recognised that there is a need for all lenders to co-operate on matters such as legislation affecting the mortgage market, prevention of mortgage fraud and the provision of statistics and business information. Secretariat services will be provided by the BSA, and those members of the Council that are not building societies will pay a subscription to help meet the costs.

Source: Council of Mortgage Lenders press notice, 22.6.89.

EXPORT AWARD FOR SMALLER BUSINESSES

The export achievements of five small British firms have been recognised with the 1989 Export Award for Smaller Businesses, announced in London on 20 June.

The winners, chosen from 227 eligible entrants, were: Currie & Warner, producers of high-precision brass turned parts, of Birmingham; Fleur de Lys Automobile Manufacturing, makers of hand-built reproduction vintage vehicles, of Newark on Trent, Nottinghamshire; The Kemble Instrument Company, designers and manufacturers of robotic sample processing systems for clinical and research laboratories, of Burgess Hill, West Sussex; Sandon Flexographic Print Rollers, producers of laser-engraved flexographic printing cylinders, of Runcorn, Cheshire; and Woods of Windsor, producers of traditional English perfumes and toiletries, of Windsor, Berkshire.

The Export Award is sponsored by the British Overseas Trade Board, which is the export promotion arm of the Department of Trade and Industry; *Kelly's United Kingdom Exports,* a Reed International publication; Price Waterhouse, chartered accountants and business advisers; Thomas Cook; and Midland Bank, which also administers the scheme.

This year's Award, the twentieth made, is open to small firms in the manufacturing and service sectors with up to 200 employees. They must show a sustained increase in export earnings over their two most recent financial years in the period up to December 1988. Export earnings must have exceeded £100,000 in the second year.

Source: Export Award for Smaller Businesses press notice, 20.6.89.

FORESTRY

The Government has asked the Forestry Commission to sell a further 100,000 hectares[1] of its forest land (919,000 hectares; see p 62) by the end of the century and to aim to dispose of some 50,000 hectares of these in the first half of the period.

Under the Forestry Act 1981 (see p 253, 1981) the Commission acquired greater freedom to sell some of its land and plantations. In 1984 the main objective of its disposals programme became the rationalisation of the forestry estate in the interests of increased efficiency and the commercial effectiveness of the Forestry Enterprise (the role in which the Commission acts as a trading body). Since 1981, some 140,000 hectares, including 72,000 hectares of plantable land, have been sold, worth £124 million.

In announcing the Government's decision to the House of Commons on 16 June, the Secretary of State for Scotland, Mr Malcolm Rifkind, said that, in disposing of a large number of plantations, the Commission had significantly improved its efficiency and needed less government funding. It had also contributed to major recent developments in the wood-processing industry. While bearing in mind the need to secure timber supplies, as well as the effect of the programme on the use of the Commission's forests for public access and recreation, and environmental considerations, the Government intended to strengthen the role of the private sector, which already owned over 60 per cent of Great Britain's woodlands. 'Forests have a major part to play in the enjoyment and understanding of the countryside', Mr Rifkind said, 'and the Commission will continue to have an important role in this. . . . The general public should also continue to enjoy access to those forests to be disposed of by the Commission in a way which is compatible with management for forestry and other purposes.'

Sources: *Hansard,* Vol 154, No 123 (Part II), written answers, cols 544-5; Scottish Office press notice, 16.6.89.

NEW LINK PROGRAMMES

Programmes under the LINK scheme (see pp 29-30, 1987) have been announced in Protein Engineering, in Biochemical Engineering and in New Catalysts and Catalytic Processes.

The Protein Engineering programme aims at increasing basic understanding of the structural properties and activities of proteins, designing new or improved proteins and increasing Britain's competitiveness in this area. It could lead to products such as safer drugs, environmentally benign insecticides and industrial enzymes. Government funding of £4·8 million will be made available jointly by the Department of Trade and Industry (DTI), the Ministry of Defence, the Agricultural and Food Research Council, the Medical Research Council and the Science and Engineering Research Council (SERC). Major pharmaceutical and biotechnology firms and 25 higher education institutions and research council institutes have expressed interest in participating in the programme.

Also in the field of biotechnology, the five-year Biochemical Engineering programme will be funded jointly by the DTI (£4·3 million) and the SERC (£3·2 million). It will be concerned with equipment and processes to exploit biotechnology on an indus-

[1] 1 hectare = 2·4711 acres.

trial scale. There will be four priority areas: new processes and equipment for enhanced product recovery (downstream processing); new and improved fermenter designs for the pharmaceutical and chemical industries (fermentation technology); control technology for regulating, organising and integrating biochemical processes (process control); and improved barrier technologies for sensitive processes (containment, asepsis, sterility and the environment). Organisations which have indicated that they would like to take part include major companies, higher education institutions and the Public Health Laboratory Service Centre for Applied Microbiology and Research.

The New Catalysts and Catalytic Processes programme will focus on seven areas, many with environmental applications, such as improved industrial effluent control and vehicle exhaust systems, fuel cells for 'clean' power generation and improved water purification techniques. The government funding of £2·5 million will be shared equally by the DTI and the SERC. Organisations likely to participate in early projects include Liverpool Polytechnic, University of Manchester Institute of Science and Technology, British Gas, BP, ICI and Johnson Matthey.

Sources: Department of Trade and Industry press notices, 12.6.89, 15.6.89 and 19.6.89.

EUREKA

The seventh Eureka Ministerial Conference in Vienna on 19 June approved 89 new projects, bringing the total number to 298. Four of the new projects were British-led, among 12 with British participation. Announcing this, the Minister of Trade and Industry, Mr Tony Newton, said that Eureka's flexible, industry-led approach was very much in line with the Department of Trade and Industry's (DTI's) innovation policy (see pp 60-61, 1988). By encouraging collaboration between British and other European high technology companies, Eureka was playing an important role in helping to prepare British firms for the single European market in 1992 (see p 49).

The new projects with British participation involve 26 British organisations, including 13 small to medium-sized enterprises and four universities. They cover a wide range of technological areas from biotechnology to advanced manufacturing. British-led projects include Galileo, a joint venture between nine major European airlines and a United States company to develop a computerised distribution system for airline tickets, and two projects under the FAMOS umbrella project (see p 246, 1988).

Mr Newton reported good progress in two existing projects with British participation, Eurolaser (see p 213, 1988) and the European Software Factory project, which were being supported by the DTI's Research and Technology Initiative. He also welcomed the launch of the Joint European Submicron Silicon (JESSI) project as a full Eureka programme. JESSI, Mr Newton said, would be the major collaborative research and development activity within the European semiconductor industry over the next few years.

Source: Department of Trade and Industry press notice, 19.6.89.

Racial Attacks and Harassment

A report on the nature of racial attacks and racial harassment and the strategies needed to combat the problem in Great Britain was published by the Home Office on 16 May. In it the Government states that it is vital that visible and vigorous action be taken to combat the problem.

The report,[1] which is being distributed to all police forces, local education authorities, housing and social services departments and community relations councils, was prepared by the inter-departmental Racial Attacks Group,[2] established in 1987 to consider whether the response made by the police and other local statutory agencies could be further improved if all local agencies were to co-ordinate their efforts. The report concludes that there is scope for greater co-operation between the police and other local agencies and it seeks to provide clear guidance about the responsibilities of the various statutory agencies and about the kinds of policies they should be developing in relation to racial harassment. These guidelines, which have been endorsed by the Ministerial Group on Crime Prevention (see p 5, 1987), are intended either for agencies acting alone or for agencies working together. The Government has expressed the hope that, in the areas where racial harassment is a significant problem, the local agencies will use the report's recommendations as a basis for action so as to ensure that their available resources are used to the best possible effect.

MAIN CONCLUSIONS AND RECOMMENDATIONS

The report states that while there are no reliable data about the extent of racial harassment, "all the evidence points to a problem that is worryingly large", and it concludes that racial attacks and harassment are still a serious problem for people from the ethnic minorities in some areas of Britain. It has been concerned to look at what can be done to combat all kinds of racial harassment, not just the more serious physical attacks, and concludes that while there is no easy answer to the problem of defining a 'racial incident', the most promising approach is one that gives importance both to the context in which the incident occurs and to the victim's perception of the perpetrator's motivation.

The report says that all those with an influence on public opinion, in particular the media, have a heavy responsibility to ensure that nothing they do or say might encourage feelings of racial antipathy. Politicians, at both local and national level, have a crucial role to play, but many other individuals or groups, including tenants' associations, sports clubs and local community groups, can make an important contribution.

Although there is very little hard evidence, according to the report, to support a direct causal link between the activities of extremist organisations and the incidence of racial harassment, it has no doubt that these organisations help to create a climate that is conducive to racial incidents.

Single Agency Approach

The report found very few examples of effective co-operation between agencies in preventing and responding to racial incidents. There existed a tendency to see racial harassment solely as a problem for the police, thereby reducing the effectiveness of a local response to the problem. The report considers that the issuing of some clear guidelines about the responsibilities of the various statutory agencies and about the kind of policies they should be developing is a prerequisite for effective multilateral action. Each agency should draw up an explicit policy for tackling the problem of racial harassment, covering prevention, assisting the victims and dealing with the perpetrators. Consultation with local ethnic minority bodies, says the report, is essential in developing such a policy. Although the longer-term aim of introducing a policy would be to bring about a reduction in racial harassment, an initial increase in the number of reported incidents should be generally regarded as a positive achievement.

The Police

While the report recognises the significant efforts made by the police in recent years to improve their response to racial attacks (see pp 7 and 41, 1987), it recommends that all police forces should establish defined procedures for responding to and following up racial incidents and that they should reinforce their commitment in written policy statements drawn up in consultation with local community groups.

It recommends that the police should refer racial

[1] *The Response to Racial Attacks and Harassment: Guidelines for the Statutory Agencies.* Available free from F2 Division, Home Office, 50 Queen Anne's Gate, London SW1H 9AT.

[2] This consists of members of the Home Office, Scottish Office and the Departments of Health, Environment, and Education and Science, and representatives from the police, the Commission for Racial Equality and the Joint Committee against Racialism.

incidents for prosecution whenever possible; that a chief police officer in each area be given personal responsibility for ensuring that force policy is implemented and that all officers in the force are aware of their particular responsibilities; and that HM Inspectorate of Constabulary should monitor steps taken by individual forces to implement their policies on racial incidents. Further recommendations include the establishment in areas of high racial harassment of a special police squad to investigate incidents; speedier responses to racial incidents; and keeping community groups informed of the action taken in response to serious or persistent cases of racial harassment.

Education

The report commends those local education authorities which have adopted policy statements on race relations and have developed guidelines for responding to racial incidents and recommends those authorities which have not done so to reconsider their position.

It says that school and college policies should make it absolutely clear that racist behaviour is unacceptable. All staff should be actively involved in developing policies, and the issues should be discussed with all members of staff and with pupils/students, governing bodies and parents. According to the report, schools and colleges should provide guidelines on the appropriate response to racial incidents and the procedures to be followed, while records of racial incidents should be kept.

It considers that the need to respond to attitudes of racial prejudice should not be confined to institutions with significant numbers of ethnic minority pupils/students. The problem of racial intolerance needs to be addressed in all educational institutions.

Social Services

The report recommends that social services departments should also formulate a policy for responding to incidents of racial harassment, which should be supported by detailed practical guidance. The report contains an example of a draft policy which has been developed by one such authority.

Systematic recording arrangements would be required and social services departments should be prepared to contribute to information-sharing arrangements with the other local statutory agencies.

Housing

To prevent discrimination in public sector housing practices, local authorities should monitor the provision of housing services by the ethnic origin of applicants and tenants. Housing departments should adopt a clear policy committing them to responding to and monitoring all racial incidents occurring in their areas. The report details the specific steps to be taken by public sector landlords to prevent racial harassment, assist the victims and deal with the perpetrators.

Multi-Agency Approach

The report concludes that racial harassment is a complex social problem with no single solution and it says that while it would help if all statutory agencies took unilateral action of the kind described in the report, it would be possible to improve the total response still further if agencies were to work together more systematically as part of a multi-agency approach.

For practical reasons, the report states, one of the statutory agencies would almost certainly need to take the lead in establishing multi-agency working and it recommends that, in areas with a substantial ethnic minority population, the police should take on this responsibility in the absence of an initiative from any of the other local statutory agencies. It would not, however, want multi-agency groups to be police-led or dominated once they had been established.

The report outlines the kind of work programme that a multi-agency group might set itself and considers it would be essential for the police and the education, social services and housing departments of the local authority to be involved in any multi-agency initiative. They would need to work closely with the prosecuting authorities and the legal officers of the local authority. Many community and voluntary groups would also have an important role to play. The report considers the involvement of people from the ethnic minority communities to be particularly important. Once a multi-agency group had been established, it would generally be appropriate for it to be chaired by someone who was regarded as independent of either the local authority or the police. The report sees clear advantages in linking 'a multi-agency approach to racial harassment' with wider local initiatives on crime prevention generally.

Shorter Notes

COMMUNITY RELATIONS IN NORTHERN IRELAND

A new Northern Ireland Community Relations Council is being established to promote improvements in relations between the different parts of the community. The Council will have 15 to 20 members: one-third will be appointed by the Government, with the rest drawn from different sections of the community, including business, industry, education, the professions, trade unions and voluntary groups.

Giving details on 19 June, the Parliamentary Under-Secretary of State at the Northern Ireland Office, Dr Brian Mawhinney, said that the Council's establishment had been the culmination of two years' work designed to focus people's attention on the need for improved community relations and greater cross-community contact. The new body would concentrate on supporting all those working at local level to promote greater tolerance, practical co-operation and mutual understanding across the community. In the context of cultural diversity, Dr Mawhinney said that he expected the new body to explore, among other matters, the steps that could be taken to enhance awareness and appreciation of

the contribution of the Irish language to Northern Ireland's cultural heritage.

Dr Mawhinney also announced that responsibility within government for community relations policies was to be transferred from the Northern Ireland Department of Education to the Central Community Relations Unit. Created in 1987, the Unit is responsible for reviewing existing policies in terms of their impact on community relations, bringing forward proposals for additional measures which might be taken to improve community relations and ensuring that the impact of government decisions on community relations is taken fully into account.

Source: Northern Ireland Office press notice, 19.6.89.

TELEVISING HOUSE OF COMMONS PROCEEDINGS

The House of Commons has voted in favour of televising its proceedings for an eight-month experimental period beginning with the state opening of Parliament in November. After a debate on 12 June on the first report of the House of Commons Committee on Televising of Proceedings of the House (see p 247), the motion in favour of accepting the report's recommendations was carried by 293 votes to 69 – a majority of 224.

The Committee was appointed in February 1988 after the House had voted in favour of an experimental period of televising (see pp 40-1, 1988). Its report recommends, among other things, the formation of a joint company, funded by the broadcasting authorities (the British Broadcasting Corporation [BBC] and the Independent Broadcasting Authority [IBA]), to be called the House of Commons Broadcasting Unit. This would provide the equipment for the experiment and employ an independent operator to produce a continuous signal from the Chamber of the House, which it would sell to the broadcasting authorities at a fair price. Eight remote-controlled cameras, mounted under the galleries, would be installed and eight space lights, simulating the effect of chandeliers, would be suspended from the ceiling of the Chamber. Proposed rules of coverage include the placing of restrictions on which parts of the Chamber and which participants in proceedings could be filmed, and on the camera shots which could be used. The standard format for depicting an MP would be a head and shoulders shot; limited use of wide-angle shots would be permitted; strict limits would be placed on the use of reaction shots, and the use of split-screen and panning shots would be prohibited. The report considered coverage of select and standing committees to be an important part of the experiment and proposed a system for televising them in response to demand. The select committee would monitor the experiment and would be assisted by an officer of the House known as the Supervisor of Broadcasting.

During the debate, the Lord President of the Council and Leader of the House of Commons, Mr John Wakeham, said that the report's proposals would enable the House to retain overall control of televising proceedings and that the viewing public would be able to see the House at work without additional cost to the taxpayer. On the rules of coverage, Mr Wakeham said that the select committee had felt that the purpose of television coverage should be to provide 'something like an electronic *Hansard* (the official report of parliamentary proceedings) designed to provide viewers with a factual and objective record of . . . proceedings – of speeches and statements made, of questions asked and answered and of decisions taken'. Mr Wakeham told the House that shortly before the end of the experiment Members would be invited to decide whether the televising of proceedings should continue on a permanent basis.

Source: *Hansard*, Vol 154, No 119, cols 607-60.

SUMMER TIME

The Government has published a Green Paper,[1] setting out the more important arguments and facts about existing summer time[2] arrangements and proposals for change in terms of their economic and social effects.

The Green Paper says that a number of factors have led to changing patterns of work and leisure in recent years: an increase in leisure time and a desire to engage more frequently and more actively in leisure pursuits; growth in the transport and communications sectors, with holidays abroad now commonplace; the growing importance of international markets; and the development of the European Community, which will receive further impetus with the coming of the single European Market in 1992 (see p 49).

In order to investigate public opinion, and to take account of proposals from the European Commission for the harmonisation of summer time arrangements across the Community,[3] the Government carried out surveys of interest groups in 1987 and 1988.

Options presented for comment in the 1988 survey were: retaining the present arrangements; limited harmonisation of the end date with other member states of the Community, which would mean loss of summer time in October; and adopting single/double summer time – Greenwich Mean Time (GMT) + 1 hour in winter and GMT + 2 hours from the end of March to the end of September. There was little support for limited harmonisation, and a majority of those surveyed (55 per cent) supported single/double summer time.

After examining the possible effects of changes on accidents and crime, energy, communications,

[1] *Summer Time: A Consultation Document.* Cm 722. HMSO, £5-60. ISBN 0 10 107222 8.

[2] Summer time is a device whereby clocks are adjusted to enable people to have a longer period of daylight in the summer evenings beyond the normal working day. In 1989 summer time (GMT + 1 hour) runs from 26 March to 29 October.

[3] The most recent European Community directive on summer time, effective until the end of 1992, lays down a common starting date, with an end date for Britain and the Irish Republic one month later than that for other member states. It makes provision for harmonisation of the end date during this period if Britain and the Irish Republic so wish.

trade and travel, and the agriculture, tourism and construction industries, the review concludes that the most likely options are: adopting single/double summer time, or maintaining the present arrangements.

It summarises the main arguments in favour of single/double summer time as: a reduction in the number of road deaths and injuries, which would save about £90 million on the basis of 1987 figures; a saving of up to £35 million a year in lighting costs; an extension of daylight hours in winter afternoons and summer evenings, benefiting the more vulnerable members of society, as well as those pursuing sport and outdoor leisure activities; more overlap in the British and continental working day, and easier business and tourist travel (the majority of European countries are in the Central European Time zone – GMT + 1 hour).

Among the main arguments cited for keeping the present arrangements are: increased danger of road accidents in the morning, particularly among children going to school, and to a greater extent in Scotland; and those who traditionally start work early would be more prone to accidents or assault, and less productive.

The Green Paper concludes that there has been a shift of public opinion in favour of single/double summer time, while recognising that there are many, particularly in Scotland, who are opposed to any change in the present position.

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Government and Administration

Electoral Statistics 1989. Presents statistics on parliamentary, European parliamentary and local government electors. Office of Population Censuses and Surveys. HMSO, £5. ISBN 0 11 691265 0.

Statement of Changes in Immigration Rules (see p 260). HMSO, £5·10. ISBN 0 10 238889 X.

Firearms Law: Guidance to the Police. Provides practical guidance to the police on the administration of controls over firearms including those set out in the Firearms (Amendment) Act 1988. HMSO, £5·95. ISBN 0 11 340903 6.

Report of Her Majesty's Chief Inspector of Constabulary for the Year 1988. HMSO, £10. ISBN 0 10 244989 9.

Her Majesty's Chief Inspector of Constabulary for Scotland. Report for the Year ended 31 December 1988. HMSO, £8·60. ISBN 0 10 107012 8.

Serious Fraud Office. First Annual Report from 6 April 1988 to 4 April 1989. HMSO, £3. ISBN 0 10 248589 5.

External Affairs and Defence

Hong Kong (see p 268). Second Report of the House of Commons Foreign Affairs Committee, Session 1988-89. HMSO, £7·40. ISBN 0 10 299789 6.

Eastern Europe and the Soviet Union. First Report from the House of Commons Foreign Affairs Committee, Session 1988-89. Report, together with the Proceedings of the Committee, Minutes of Evidence and Appendices. HMSO, £22. ISBN 0 10 201689 5.

Eastern Europe and the Soviet Union: Observations by the Government on the First Report from the House of Commons Foreign Affairs Committee. Cm 708. HMSO, £2. ISBN 0 10 107082 9.

The Royal Navy's Surface Fleet: Current Issues. Sixth Report from the House of Commons Defence Committee, Session 1988-89. Report, together with the Proceedings of the Committee, Minutes of Evidence and Memoranda. HMSO, £6·20. ISBN 0 10 241989 2.

Statement on the Defence Estimates 1989. Fourth Report from the House of Commons Defence Committee, Session 1988-89. Report and Appendices, together with the Proceedings of the Committee, Minutes of Evidence and Memoranda. HMSO, £12·10. ISBN 0 10 238389 8.

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British Forces in Belize: Government Observations (First Special Report) on the House of Commons Defence Committee Eighth Report, Session 1987-88. Cm 244. HMSO, 95p. ISBN 0 10 224489 8.

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Insurance Annual Report 1988. Department of Trade and Industry. The report shows that at the end of 1988 there were 838 insurance companies authorised to carry out insurance business in Britain, the same number as at the end of 1987. HMSO, £4·95. ISBN 0 11 514676 8.

Tourism in Northern Ireland: A View to the Future. Department of Economic Development for Northern Ireland. Available free from the Tourism Branch, Department of Economic Development for Northern Ireland, Netherleigh, Massey Avenue, Belfast BT4 2JP.

Report on Wages in Agriculture: 1 January to 31 December 1988. Ministry of Agriculture, Fisheries and Food. HMSO, £2·90. ISBN 0 11 242883 5.

Report of the Working Party of Officials of the Agriculture and Health Departments on a Control Framework for the Introduction of Food Irradiation in the United Kingdom (see p 275). Available free from

Food Safety Division Branch C, Ministry of Agriculture, Fisheries and Food, Ergon House, 17 Smith Square, London SW1P 3HX.

Annual Report of the Institute of Animal Health 1988. Agricultural and Food Research Council. Available free from the Institute of Animal Health, Compton, Newbury, Berkshire RG16 0NN.

Work in the Countryside. Report of the National Economic Development Council's Agriculture Ad-Hoc Sector Group. Forecasts that between 57,000 and 89,000 people will leave farming in Britain over the next decade (between 17 and 26 per cent of those who are currently full-time farmers or farm workers); assesses the impact on employment of policies to curb surplus production (see p 240, 1988); and examines alternatives to traditional farming which are creating new jobs. Available from NEDO Books, Millbank Tower, Millbank, London SW1P 4QX. £25. ISBN 0 7292 0958 X.

Two further reports are also available from the same address: *Rural Pluriactivity in the United Kingdom*, £7·50; and *The Contribution of Forestry to Rural Employment*, £5. All three publications are available at a pack price of £30.

British Coal Enterprise: Annual Review 1988-89. During the past four years British Coal Enterprise has committed over £50 million to nearly 2,500 projects which are creating some 32,000 new employment opportunities in Britain's coalfields. Available free from British Coal Enterprise Ltd, Eastwood Hall, Eastwood, Nottinghamshire NG16 3EB.

Product Design Advice Centre Experiment – Evaluation Study. Programme of Policy Research in Engineering Science and Technology. This independent report, commissioned by the Department of Trade and Industry, shows that a number of small and medium-sized companies which used the three experimental Product Design Advice Centres set up in 1987 were helped to identify new product opportunities and to market them. Available from the Department of Trade and Industry Headquarters Library, 1 Victoria Street, London SW1H 0ET. £5.

United Kingdom Airfreight 1977-1987. Department of Transport. HMSO, £5·65. ISBN 0 11 550907 0.

Antarctica 2000 (see p 280). Natural Environment Research Council. Available free from Natural Environment Research Council, Polaris House, North Star Avenue, Swindon SN2 1EU. ISBN 0 85 665135 4.

Dioxins in the Environment. Report of an Interdepartmental Working Group on Polychlorinated Dibenzo-para-dioxins (PCDDs) and Polychlorinated Dibenzofurans (PCDFs). Department of the Environment. Central Directorate of Environmental Protection. Pollution Paper 27 (1989). Discusses the known sources of dioxins in the environment and the various ways they can be controlled, reduced and monitored. HMSO, £8·60. ISBN 0 11 752229 5.

Environmentally Sensitive Areas. First Report (covering England only). Commenting on this report on the Environmentally Sensitive Areas Scheme (see pp 419-20, 1987) in the House of Commons on 21 June (*Hansard*, Vol 155, No 126, col 130), the Minister of Agriculture, Fisheries and Food, Mr John MacGregor, said that 2,708 applications had been received and agreements covering 110,495 hectares (273,000 acres) had been drawn up. HMSO, £7·50. ISBN 0 11 242871 1.

Environmentally Sensitive Areas – Wales. First Report on Monitoring the Effects of the Designation of Environmentally Sensitive Areas. Available from the Welsh Office, ESS Division, Crown Building, Cathays Park, Cardiff CF1 3NQ. £4. ISBN 0 86 348901 X.

Social and Cultural Affairs

Equal Opportunities Commission Annual Report 1988. HMSO, £5. ISBN 0 11 791410 9.

Educational Provisions for the Under Fives. Observations by the Government and Local Authority Associations on the First Report of the Education, Science and Arts Committee, Session 1988-89. HMSO, £4·30. ISBN 0 10 232489 1.

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OPCS Surveys of Disability in Great Britain. Report 5: The Financial Circumstances of Families with Disabled Children Living in Private Households. Malcolm Smith and Nikki Robus (see p 354, 1988). HMSO, £9. ISBN 0 11 691264 2.

Report of the Charity Commissioners for England and Wales for the Year 1988 (see p 258). HMSO, £5·50. ISBN 0 10 231989 8.

Charities: A Framework for the Future (see p 257). Cm 694. Home Office. HMSO, £6·80. ISBN 0 10 106942 1.

The Response to Racial Attacks and Harassment: Guidance for the Statutory Agencies (see p 285). Home Office. Available free from F2 Division, Home Office, 50 Queen Anne's Gate, London SW1H 9AT.

Urban Development Corporations. 20th Report of the House of Commons Committee of Public Accounts, Session 1988-89. HMSO, £7·40. ISBN 0 10 238589 0.

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